

**Food for the Hungry UK
Financial Statements
Year Ended 31st December 2006**

Company Number 2394988

Charity Number 328273

**Food for the Hungry UK
Financial Statements
Year Ended 31 December 2006**

Registered Company Number 2394988

Registered Charity Number 328273

Directors

Mr B Wilson
Dr R Hoag (retired 28th August 2006)
Mr G Vestri (from 20th October 2006)
Mr R Plumptre
Mrs R L Duke
Mrs G P Kelly
Mr S P Herbert

Secretary

Mr S P Herbert

Registered Office

Nigel Wordingham Ltd
De Vere House
90 St Faiths Lane
Norwich
NR1 1NE

Accountant

Nigel Wordingham Ltd
De Vere House
90 St Faiths Lane
Norwich
NR1 1NE

Bankers

Barclays Bank plc
Bank Plain
Norwich

Index

Page

Report of the directors	2 - 8
Auditor's Report	9 - 10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the financial statements	13 -17

Food for the Hungry UK
Directors' and Trustees' Report for the year ended
31st December 2006

The directors present their report and accounts for the year ended 31st December 2006. They would like to take this opportunity to thank all the supporters of FH-UK for their prayers and generous gifts of time and money and to the staff sacrificially sharing their lives with the needy.

1. Legal Registration:

Food for the Hungry UK (FH-UK) is a Registered Charity No 328273. It is constituted as a company (No 2393988) limited by guarantee with no shares, being governed by a memorandum and articles of association.

Food for the Hungry UK (FH-UK) is Christian organisation committed to working with poor people to overcome hunger and poverty. It does so as part of a family of autonomous national Food for the Hungry organisations. These collaborate and channel their support through a single international implementing arm to Field Offices in over 20 of the world's poorest countries.

FH-UK has a Board of Non-Executive Directors (Trustees) that meet a minimum of three times a year, one of those meetings being the Annual General Meeting. All directors of the company are also trustees of the charity, and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit. The number of trustees is not subject to any maximum, but may not be less than 3.

The experience and skill base of the Trustees contains the following:- Board membership for up to 16 years including two ex-members of the FHI Board, FHI Field Office experience, FHI Financial Management, preparing and leading teams to the Field, organisational development, planning and management. All trustees are required to complete a Food for the Hungry introductory course within their first year.

An Operations Management Committee exists to provide support to the Executive, including organisational and strategic development and consideration of detailed matters for approval by the full Board. This Committee, which meets quarterly, consists of 2 or 3 members of the Board of Directors, and has no delegated powers. With the expansion of the executive team in 2007, it is likely that this committee will be considered redundant and disbanded.

As at 31st December 2006 there was one salaried employee, Mr Doug Wakeling, being the Executive Officer assisted by his wife Jackie on a part-time voluntary basis. Both work from home, involving no cost to FH-UK for rent. Mr Simon Herbert (Company Secretary) and other part-time and occasional volunteers give further unpaid support.

The responsibility of the Executive Officer and staff is to execute the strategic plan of the Board of Directors. Their principal activity is to stimulate British support in the form of funds, people and prayer for the operation of FHI's international relief and development activities.

Food for the Hungry UK's Council of Reference consists of well-known Christians willing to be identified with, and to add credibility to, the organisation. They do not have official duties, but may be called upon to offer specific help in appropriate circumstances.

Risk management policy: a comprehensive review of risks was undertaken during the year by the Operations Management Committee and documented in a Risk Register. This register also identifies key risks to be managed with resultant Mitigation Action Plan. It will be re-examined at least on an annual basis.

Association with Food for the Hungry International (FHI) and Food for the Hungry Association (FH)

FHI, a not-for-profit association incorporated in Geneva Switzerland until the end of 2006, maintained programmes in over 25 of the world's poorest countries with international field staff numbering about 1700, mostly locally employed. FH-UK, together with FHI and each of the other nationally based organisations, has signed an International Covenant of common vision, principles and systems for working together.

Mr Bryan Wilson, a member of the FH-UK Board, also served on the Board of FHI up to February 2006

Mr Randy Hoag, the (now retired) President of FHI served on the FH-UK Board up to August 2006.

Mr Greg Vestri, the new President of FHI was appointed to the FH-UK Board on 20th October 2006.

(The year for FHI saw not only a change of President but also some structural changes leading to a transition on 1st January 2007 to a new organisation known as FH or Food for the Hungry Association. FHI ceased to exist at 31st December 2006 and all assets were transferred to FH. The objects of FH are the same as those of FHI. The registered office is also the same as that of FHI. Most operational FHI fields were transferred to FH but others came under direct management by Korean and Japanese partners. FH-UK had no commitments in these countries. Since FHI continued to exist and operate throughout the year, this report will continue to refer to FHI, rather than FH, except where appropriate.)

Mr Peter Mawditt, recruited by FH-UK in January 2006 for the short-term position of interim CEO transitioned to FHI to help lead the transition process to FH. He remains on the leadership team of FH.

Mrs Gill Kelly, member of the FH-UK Board, served on the nominating committee for the new FH Board and now serves as member of the FH Board.

Centred in and motivated by Christ, the international covenant of Food for the Hungry organisations is committed to working with poor people to overcome both physical and spiritual hunger and poverty worldwide. The primary emphasis is on long-term development among the extremely poor, recognising their dignity, creativity and ability to solve their own problems.

2. Objects and Activities:

The focus of FHI and its work is its "Vision of a Community," in which the community and its people are advancing towards their God-given potential by:

- Being equipped to progress beyond the meeting of their basic needs, and
- Having a growing group of Christians:
 - Loving God and one another
 - Manifesting the fruit of the Spirit
 - Reaching out to serve others

In support of this vision, FH-UK seeks to share the love of Christ by raising funds for FHI work overseas and recruiting and sending appropriate people to assist where most needed. Most of these overseas staff members were recruited and are employed by FH-UK, for secondment to FHI in their country of service. Such staff raise financial support to cover their employment costs from churches and from families and friends, with the assistance and facilitation of FH-UK. Other staff are hired directly by, and are salaried employees of, FHI in Field Offices and Support functions.

FH-UK continues to facilitate work teams to FHI fields. Teams number 6 – 15 people, and are generally for 2 – 4 weeks duration. Team members are responsible to raise funds to cover the costs of these trips, plus a contribution towards the cost of the work project.

Food for the Hungry UK also seeks to inform people in the UK about the causes of physical and spiritual hunger and poverty, about appropriate Christian responses and to share its vision of community.

FHI conducts its programmes without discrimination by politics, religion, race, disability or gender.

FH-UK maintains contact with other British Non-Governmental Development Organisations (NGDOs) by membership of BOND (the British Overseas NGOs in Development). We are also members of the Evangelical Alliance, Global Connections and the Jubilee Debt Campaign. The Executive Officer is a personal member of Global Connections and People in Aid. He is also a qualified member of ICSA's Charity Secretaries Group, the Institute of Fundraising and the Institute of Administrative Management.

Main specific objectives for the year included continued support of overseas staff, the Child Development Programme in Uganda and Rwanda, the Family and Community Transformation Programme in Bangladesh and the Nkunga community sponsorship project in Kenya, together with growth in supporter numbers, income and overseas staff.

3. Achievements and performance:

Fund Raising:

Income continued to increase in 2006, though rather less dramatically than in previous years, as did the number of names on the mailing list. The number of supporters giving to FH-UK by standing order remained fairly steady at 340 but their contribution increased to nearly £8,600 per month, supplemented by Gift Aid.

Field activities:

Support for Child sponsorships continued to increase during the year, with a new total of 100 sponsored children, being 53 from the Makhai/Bulolero centre in Uganda, 6 from the neighbouring Bufukhula centre in Uganda, 39 from Gikomero in Rwanda and one each from Mexabaj, Guatemala and Outfall, Bangladesh. Recent observers report that the transformation in Bufukhula is even more remarkable than in neighbouring Makhai. FHI only started work there in 2005, at which time it was broken and hopeless. School facilities were almost non-existent, with small classes meeting under trees for lessons. Now new school facilities have been erected and the motivation and energy of the community for change is inspiring.

Highfield Church in Southampton has continued its sponsorship of Nkunga village, located on the foothills of Mount Kenya. Nkunga has many extreme needs due to low rainfall and poor land with low crop yields, poor school attendance due to poverty or family pressure, no clean water, high levels of abuse and HIV/AIDS infection rates and large numbers of orphans (40%). The help given by the dedicated staff person, supported by Highfield sponsorship, has resulted in the community joining together to think, pray and act to effect needed change, despite continuing difficulties with inconsistent weather and poor crop yields etc. Our vision is for holistic transformation of this devastated community and its people, restoring broken relationships and building their capacity for change, equipping the churches, the community leaders and the families, so that they can progress towards their God-given potential to meet the needs of the children and then the wider community, especially those most vulnerable, people with HIV/AIDS, families hosting orphans, single parents, the elderly and sick. Highfield Church has generously pledged support at £19,000 per annum for the duration of the project, estimated at 7-10 years.

Overseas and FHI Staff:

John Marsden is FHI's Country Director in Bangladesh, and his wife, **Kate**, is Co-ordinator for International Staff there, also taking responsibility for developing and overseeing staff training. John is directly employed by FHI. They lead a large team of Bangla staff working in five regions of the country with health, child education and a Family and Community Transformation Programme that addresses wider social, emotional, mental and spiritual development through teaching of literacy, numeracy, legal rights, health and leadership skills in adult groups.

The FHI value-based Family and Community Transformation programme benefits the very poorest of the poor, teaching them how to transform their own lives with confidence, skills and Biblical values. It costs less than £1 a day to run a group of 12-15 families.

Naomi Hall, originally recruited by FH-UK and seconded to FHI/Kenya as Team Leader for the Mt Kenya Region, transferred in April 2006 to salaried employment with FH-Sudan as Program Director, for a one-year term. She is preparing for marriage in June 2007.

Daniel and Barbara Zeidan with their two children, originally recruited and seconded to FHI/Bolivia, with Daniel in the role of Assistant Country Director in La Paz, coordinating the country's large projects and communicating with the various international donors, transferred in August 2006 to salaried employment with FH-US based in their Washington DC office as Director of Food Security.

Mel Parslow is a social worker seconded to FHI/Guatemala, working in poor and remote communities to address physical and spiritual hungers. She happily reports: *"...communities really are being changed; the comparison between new communities and ones where FHI has worked for a while is very evident. Higher standards and more hope!"* Mel is planning on leaving Guatemala at the end of May 2007.

Roman and Lorna Zischka with three children were recruited and seconded to FHI/Romania but FHI pulled out of the country at the end of 2005. Since then they have been consolidating and preparing to hand over their pioneering work with alcoholics to national staff. They are planning to leave Romania in June 2007.

Isabela Manescu is a Romanian national and a social worker seconded to FHI/Kenya as HIV and AIDS Program Supervisor, based in Isiolo.

Caroline Burns is working as regional assistant for the Child Development Programme based in Cochabamba, Bolivia.

New recruits: In addition, as at 31st December 2006, two couples and two single people had been accepted as candidates for various overseas assignments of 3 years initial commitment and were working through the process of preparation and support-raising.

Costs for seconded international staff (Zischkas, Mel Parslow, Isabela Manescu and Caroline Burns) were covered by designated income. This designated income covers their personal allowance plus a 10% contribution to UK administration and in all cases is sufficient to also provide a fund for contingencies and furlough/homecoming costs.

Recruitment:

Opportunities for overseas service with FHI continue to be shown on the FH-UK website, and this is kept up to date. The website of Christian Vocations also carries a short description of all vacancies and is most fruitful. We publish an overview of Food for the Hungry in Christian Vocations publication "Mission Matters" and we have a short organisational description in the World Service Enquiry guide, published by Christians Abroad.

Work Teams:

The focus for short term overseas work teams is to facilitate teams from individual churches or groups of churches, with the hope that a lasting link might be formed. One member from a Team from an Oxford church that went to Rwanda wrote of working with Sunday School teachers, *"We felt a real love and warmth from all of them, and they really appreciated the new ideas we spoke to them about. We asked them in groups of 7 to prepare a Sunday School lesson from start to finish and demonstrate it in front of the whole group. We were so impressed, as every group so clearly showed they had embraced the new ideas we had shared with them, and come up with new ones. They made teaching this difficult passage look incredibly easy! In all, we had a great time together of laughter, fun and mutual encouragement."*

UK Staff:

On 16th January 2006, Mr Peter Mawditt was appointed independent consultant in the period up to 31st May 2006 to provide leadership in the development of FH-UK, including the development of a strategy and appointment of a new CEO, whilst undertaking ongoing CEO functions. Following a formal recruitment process, Mr Paul Cornelius was appointed CEO in May 2006, but owing to the long notice requirements of his then employer, was not able to commence full-time with FH-UK until 1st April 2007.

4. Future plans - agenda for 2007

2006 was a year of transition in FH-UK. 2007 sees a new CEO and a growing team of part-time volunteers, alongside the existing Executive officer and his wife.

2006 was also a year of transition for FHI, with a new President and a new organisation name and structure from 1st January 2007.

We anticipate continued growth in international staff, teams and in linkages between UK churches and poor communities in Africa.

Our strategy will continue to be reviewed by the Board and Executive with the aim of ever expanding our capacity to fulfil all that God is calling us to do and linking those most impoverished and most vulnerable with the love, resources and support of their brothers and sisters, individuals and Churches, across the UK.

5. Financial Review:

The results of the company for the year ended 31st December 2006 are set out in the attached financial statements drafted in accordance with the Companies Acts.

The directors of the company consider these results for the year to be very satisfactory. FH-UK reserves are still within the parameters set by the trustees, and there is every reason to be confident for the future.

6. Risk Management:

As previously stated a comprehensive risk management process is in place. Key risks identified include:

- a) Small numbers of Board members (currently five active members).
- b) Vulnerability to loss of two key staff members. This has been addressed in part by the appointment of a new CEO in addition.
- c) Overseas staff support depends on the same two key staff members.

Employers Liability, Public Liability and Legal Expenses have been insured under a Charity Connect policy with Ansvar.

7. Reserves Policy;

Generally, the trustees do not seek to hold large reserves. Historically the trustees have considered it prudent to retain a reserve to enable the charity to operate for 1 – 2 years on regular but lower levels of income. Given the stability of FH-UK cash flows, this policy is being reviewed to determine appropriate levels of reserves and how funds released can be effectively employed to achieve the vision.

8. Investment Policy:

There are no investments of the company, other than savings and deposit accounts that provide ready access to the funds. The policy of the company is:

- 1) Monies must not be invested in any instruments where ethical or reputational issues are contrary to the values of FH UK or FHI.
- 2) The principal or capital amounts invested must not be at risk.

9. Statement of Responsibilities of Trustees/Directors:

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the presentation and detection of fraud and other irregularities.

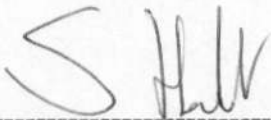
The directors who held office at the date of approval of this directors' report confirm that, so far as they are individually aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small Company Rules

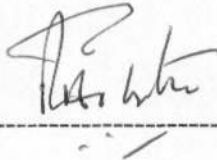
Advantage has been taken in the preparation of this report of the special exemptions applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Approval

This report was approved by the Board of Directors on 30 May 2007 and signed on its behalf.



-----Director



-----Director

Independent Auditor's report to the members of Food for the Hungry UK

We have audited the financial statements of Food for the Hungry UK for the year ended 31 December 2006 which comprise of pages 12 to 18. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, to the fullest extent permitted by law, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Respective responsibilities of directors and auditors

As described on page 8, the charity's trustees, who are also the company's directors, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' and Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the Directors' and Trustees' Report and consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

Independent Auditors report to the members of Food for the Hungry UK -
continued

Basis of opinion - continued

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practices applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 December 2006 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



Nigel Wordingham Ltd

Chartered Accountants
and Registered Auditors

De Vere House
90 St Faiths Lane
Norwich
NR1 1NE

28/6/ 2007

Food for the Hungry UK
Statement of Financial Activities (including Income & Expenditure Account)
Year Ended 31 December 2006

11

	Notes	Unrestricted Funds 2006 £	Restricted Funds 2006 £	Total Funds 2006 £	Total Funds 2005 £
Incoming Resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations		58,118	165,662	223,780	207,347
<i>Activities for generating funds:</i>					
Interest		1,831	0	1,831	1,740
Other					
Exchange rate movement on Euro accounts		(4)	0	(4)	3
Total Incoming Resources		<u>59,945</u>	<u>165,662</u>	<u>225,607</u>	<u>209,090</u>
Resources Expended					
Costs of generating voluntary income	2	12,659	0	12,659	11,727
Charitable Activities	2	25,252	165,662	190,914	177,888
Governance	2	17,593	0	17,593	6,633
Total Resources Expended	2	<u>55,504</u>	<u>165,662</u>	<u>221,166</u>	<u>196,248</u>
Net incoming resources for the year / Net income for the year	5	<u>4,441</u>	<u>0</u>	<u>4,441</u>	<u>12,842</u>
Total funds brought forward		<u>59,020</u>	<u>0</u>	<u>59,020</u>	<u>46,178</u>
Total funds carried forward		<u>£63,461</u>	<u>£0</u>	<u>£63,461</u>	<u>£59,020</u>

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

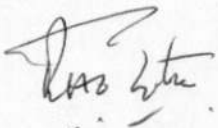
Food for the Hungry UK
Balance Sheet
As at 31 December 2006

12

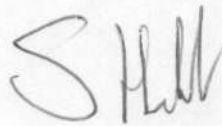
	Notes	2006 £	2005 £
Fixed Assets	8	479	695
Current Assets			
Debtors	9	13,397	15,651
Cash at Bank and Building Society		108,835	102,200
		<u>122,232</u>	<u>117,851</u>
Creditors - Amounts falling due within one year	10	<u>59,250</u>	<u>59,526</u>
Net Current Assets		62,982	58,325
Net Assets	11	<u>£63,461</u>	<u>£59,020</u>
Unrestricted funds	12	63,461	59,020
Restricted funds	12	0	0
Total Funds		<u>£63,461</u>	<u>£59,020</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 on 30 May 2007 and signed on its behalf by:



R Plumptre
 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
---------------------	----------------------

2. Total Resources Expended

	Generating voluntary income £	Charitable Activities				Governance £	2006 Total £	2005 Total £
		Grantmaking activities to FHI projects £	Supporting seconded international staff £	Attending FHI meetings & visiting seconded international staff £				
Costs directly allocated to activities								
Grants paid (see note 3)	0	110,412	0	0	0	110,412	105,633	
Supporting seconded international staff (see note 4)	0	0	55,250	0	0	55,250	52,963	
Travel and Motor Expenses	0	0	0	4,363	0	4,363	4,232	
Other expenses of seconded international staff including training	0	0	385	0	0	385	203	
Fundraising and Publicity	2,773	0	0	0	0	2,773	4,274	
Legal and Professional	0	0	0	0	2,116	2,116	1,479	
Recruitment	0	0	0	0	1,391	1,391	0	
Room hire	0	0	0	0	441	441	0	
Bank charges	0	285	0	0	0	285	199	
Support costs allocated to activities								
Salary	4,623	3,467	6,935	1,156	6,935	23,116	22,597	
Employer's liability insurance	63	48	96	16	96	319	354	
Consultancy	1,454	1,453	1,453	4,360	5,814	14,534	0	
Telephone, Postage, Printing and Stationery	3,154	0	458	0	458	4,070	2,997	
Subscriptions	502	0	502	0	251	1,255	1,018	
Depreciation	40	31	62	31	41	205	299	
Loss on the disposal of assets	50	38	75	38	50	251	0	
Total	£12,659	£115,734	£65,216	£9,964	£17,593	£221,166	£196,248	

Total Support costs £43,499 £27,265

Basis of allocation of support costs

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

3. Analysis of grants paid

Purpose:	Country/Area:	Unrestricted £	Restricted £	2006	2005
				Total £	Total £
Programme Support	Africa	0	572	572	1,255
Programme Support	Bangladesh	0	0	0	1,201
Programme Support	Burundi	0	29,551	29,551	0
Programme Support	Congo	0	698	698	0
Programme Support	Iran	0	0	0	0
Kenya Borehole project	Kenya	0	0	0	23,189
Programme Support	Latin America	0	0	0	108
Programme Support	Nkunga, Kenya	0	20,441	20,441	17,157
Programme Support	Pakistan	0	0	0	127
Programme Support	Romania	0	0	0	0
Programme Support	Romania (Roma Cabin)	0	0	0	0
Family & Community Transformation	Bangladesh	0	21,820	21,820	13,075
Programme Support	Sudan	0	180	180	572
Programme Support	Tsunami Appeal	0	0	0	21,495
Programme Support	Uganda	0	0	0	0
Work Teams	Various	0	19,325	19,325	12,411
Child Sponsorship	Uganda, Rwanda, Guatemala & Bangladesh	0	17,825	17,825	15,043
Total (see note 2)		£0	£110,412	£110,412	£105,633

4. Analysis of support to seconded international staff

Purpose:	Country:	Unrestricted £	Restricted £	2006	2005
				Total £	Total £
Support for Zeidans	Bolivia	0	11,248	11,248	13,569
Support for D Ellis	Canada	0	1,773	1,773	1,898
Support for G Wheeler	Canada	0	0	0	108
Support for Naomi Hall	Kenya	0	4,295	4,295	7,577
Support for A Thompson	Nicaragua	0	426	426	523
Support for Robertsons	Romania	0	0	0	3,405
Support for Zischkas	Romania	0	15,976	15,976	11,693
Support for Parslow	Guatemala	0	4,519	4,519	9,159
Support for Cristi	Romania	0	3,600	3,600	4,882
Support for Sagert	Guatemala	0	1,657	1,657	149
Support for Burns	Bolivia	0	5,367	5,367	0
Support for Manescu	Kenya	0	5,538	5,538	0
Support for Hulbert	Bangladesh	0	851	851	0
Total (see note 2)		£0	£55,250	£55,250	£52,963

5. Net Incoming Resources for the Year

This is stated after charging:

	2006 £	2005 £
Auditors remuneration	2,116	1,479
Depreciation of tangible fixed assets	2,116	1,911

6. **Staff Costs**

Staff costs were as follows:

	2006	2005
Wages and salaries for the year	£23,116	£22,597

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:

	2006	2005
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 (2005: £nil).

Charitable donations have been paid to Food for the Hungry International, a not-for-profit international association. Mr B Wilson, Mr R Hoag and Mr G Vestri are also directors of that company. These payments were for onward transmission to overseas projects referred to in note 4 and amounted to £110,412 (2005: £105,633). Also paid to FHI during the year was an amount of £1,296.69 which was a contribution toward administration costs. A balance of £56,858 (2005: £56,394) owing to FHI was outstanding at the year end.

8. **Fixed Assets**

	Computer & Equipment £
Cost at 1 January 2006	2,606
Additions	240
Disposals	1,703
Cost at 31 December 2006	<u>1,143</u>
Depreciation at 1 January 2006	1,911
Charge for Year	205
Eliminated on Disposal	1,452
Depreciation at 31 December 2006	<u>664</u>
Net Book Value at 31 December 2006	<u>£479</u>
Net Book Value at 1 January 2006	<u>£695</u>

9. Debtors

	2006 £	2005 £
Gift-aid reclaimable	12,162	15,051
Sundry debtor	1,235	600
	<u>£13,397</u>	<u>£15,651</u>

10. Creditors (amounts falling due within one year)

	2006 £	2005 £
Accruals	1,763	1,410
Amounts due to Food for the Hungry International	56,858	56,394
Other Creditors	629	1,722
	<u>£59,250</u>	<u>£59,526</u>

11. Analysis of Net Assets between Funds

	Unrestricted £	Restricted £	Total £
Fixed Tangible Assets	479	0	£479
Net Current Assets	62,982	0	62,982
	<u>£63,461</u>	<u>£0</u>	<u>£63,461</u>

12. Movement in Funds

	Balance 1 Jan 2006	Movement in Resources			Balance 31 Dec 2006
		Incoming	Outgoing	Transfers	
Restricted funds:					
Donations toward FHI projects	0	110,412	(110,412)	0	0
Donations for seconded international staff	0	55,250	(55,250)	0	0
<i>Total restricted funds</i>	<u>£0</u>	<u>£165,662</u>	<u>£(165,662)</u>	<u>£0</u>	<u>£0</u>
Unrestricted funds:					
General funds	59,020	59,945	(55,504)	0	63,461
<i>Total unrestricted funds</i>	<u>£59,020</u>	<u>£59,945</u>	<u>£(55,504)</u>	<u>£0</u>	<u>£63,461</u>
Total funds	<u>£59,020</u>	<u>£225,607</u>	<u>£(221,166)</u>	<u>£0</u>	<u>£63,461</u>