

Charity registration number 328273

Company registration number 02394988 (England and Wales)

**FOOD FOR THE HUNGRY UK**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# FOOD FOR THE HUNGRY UK

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr S P Herbert Mr S Canham Mr M Josten Mr M A Viso R Kayombo	(Appointed 24 June 2021)
<b>Secretary</b>	Mr S Canham	
<b>Charity number</b>	328273	
<b>Company number</b>	02394988	
<b>Registered office</b>	15 Palace Street NORWICH Norfolk United Kingdom NR3 1RT	
<b>Independent examiner</b>	Argents Accountants Limited 15 Palace Street NORWICH Norfolk United Kingdom NR3 1RT	

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# FOOD FOR THE HUNGRY UK

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# FOOD FOR THE HUNGRY UK

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees, who are also directors of the charity present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Deed of Trust, the Companies Act 2006 and "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)".

### Objectives and activities

Food for the Hungry (FH-UK) is a 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 implementation arm to Field Offices in over 19 of the world's poorest countries.

FH-UK seeks to create public benefit and to share the love of Christ by raising funds for FH work overseas and through informing and engaging people in the UK in the causes of physical and spiritual hunger and poverty, sharing its vision of community and the appropriate Christian responses to all forms of poverty.

FH-UK continues to facilitate the visit of teams from this country to FH field locations. Teams number 2-15 people, and are generally of approximately 1-2 weeks duration.

FH-UK also seeks to create public benefit by raising funds to support the work of individuals who are prepared to live among the poorest communities overseas where their skills provide significant benefit to the local population. Overseas staff are engaged in raising financial support to cover their secondment costs from churches and from family and friends, with the assistance and facilitation of FH-UK.

FH-UK and FH conduct their programmes without discrimination by politics, religion, disability or gender.

FH-UK maintains contact with other British Non-Governmental Development Organisations through membership of BOND (the British Overseas NGOs in Development). We are also members of Global Connections and Restored, a UK based organisation addressing issues of violence against women.

Main specific objectives for the year included

- Evaluating new routes to grow the income base that supports the charity
- Assessing and mitigating the impact of COVID-19 across the operations of the charity in the UK and on the field-based projects it supports.
- Maintaining the UK support base for the Family and Community Transformation programme in Bangladesh
- Supporting existing Community Transformation projects in Buuri in Kenya, and Mwumba in Burundi
- Successful delivery of the projects supported by grants from the UK Government's Foreign, Commonwealth and Development Office (FCDO) and projects funded by Guernsey Overseas Aid Commission (GOAC) and the Faroe Islands.
- Obtaining grants for specific FH field projects
- Raising money for overseas appeals
- Supporting the existing base of individual sponsors of a number of FH Child-Focussed Community Transformation projects in Africa, Latin America and Bangladesh
- Supporting our overseas secondees

### Public benefit

The trustees have complied with their duty to have due regard to the Charities Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

# FOOD FOR THE HUNGRY UK

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Staff and Volunteers**

The charity has one part time employee who assists in the securing of grants from trusts and governmental sources. The roles carried out in 2021 by our volunteers and the approximate percentage of a full-time position these represent are as follows:

1. CEO 100%
2. Program Manager 100%
3. Project Manager 40%
4. Book keeper 30%
5. Child Sponsorship communications 60%

#### **Strategic report**

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

#### **Achievements and performance**

##### **COVID-19**

The implications of COVID-19 have been far-reaching. To respond to these challenges, FH-UK (following the lead of FHA) has adjusted its programmes based on the four pillars listed below:

Pillar 1 – Adapting existing programming to ensure staff and community safety.

Pillar 2 – Providing essential life-saving services wherever necessary.

Pillar 3 – Active reduction of the spread of COVID-19

Pillar 4 – Early recovery.

With the emergence of effective COVID-19 vaccines, FH-UK is using its best efforts to ensure an equitable distribution of these vaccines to the most vulnerable in the areas where we work.

Within the UK, fund-raising has affected a number of planned events but this has been offset by an increase in donations overall. The UK Government reduced funding for the financial year 2021 for international development in general, which affected our UK Aid projects. All FH-UK staff have been able to adapt to remote working, although it has not been possible to make any field visits or to organise any team visits in 2021.

Overall, COVID-19 has not to date, materially affected our financial or administrative support base in the UK and we have generally been able to adapt our field programmes to take account of its impact. We hope that the impact of COVID19 will progressively decrease in the future but we will continue to monitor and assess any further impacts in 2022.

# FOOD FOR THE HUNGRY UK

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Field Activities:

In 2018 FH-UK secured a multi-year grant government grant from FCDO's Aid Direct fund in respect of a food security and nutrition project in Namutumba in Uganda. A further project was secured in 2019 in respect of increasing pastoralists' income in Northern Kenya.

The expected level of funding for both projects was reduced by the FCDO in the aftermath of COVID-19. Both projects were adapted and have now been successfully delivered and the final reports submitted to FCDO. The project's objectives were met and favourable ratings received from the FCDO in their final project appraisals.

The long-term sponsorship of the Buuri Cluster Community in Kenya continued to progress well during the year. It has been agreed to expand the scope of this project and plans have been put in place to provide the additional funding required. This project continues to benefit from significant support from the SDL Foundation, for which we are extremely grateful.

FH-UK continues to support the activities of FH Bangladesh in delivering their Family and Community Transformation programme. This programme is run in particularly vulnerable and disadvantaged communities where women are deprived and mistreated. The primary tool within this programme is running local learning and savings groups, helping to empower 12-20 women to realise their potential and, through economic development, lift their families out of poverty.

Mwumba is one of the poorest communities in northern Burundi and FH-UK has been supporting a long-term small-scale development project there since 2010. Following a full strategic review of the project in 2018, it was agreed to substantially increase the support to this community from 2019 onwards. Since then there has been a significant increase in the scale of the project and the financial commitment required to underpin this. Increasing the scale of the project delivers greater economies of scale and improves the efficiency of the resources employed, enabling our programme to have an impact on a significant proportion of the community. The aim is that the whole community can graduate to a self-sustaining position within about 5 years.

#### Overseas Staff:

Tom MacGregor continued his multi-year assignment in Rwanda. Tom has established a marketing company called Azizi Life, selling a number of successful product lines to customers overseas, and is assisting in developing the local tourist industry. FH-UK has secured donor support to fund an expansion of Azizi Life's facilities in Rwanda which is expected to be completed during 2022. Costs for seconded international staff (SIS) are covered by designated income. This designated income covers their personal allowance plus a contribution to UK administration and in all cases is also sufficient to provide a fund for contingencies and home visit costs.

#### Team Visits:

There were no team visits during the year due to the impact of COVID-19

#### Staff:

Mr Paul Cornelius continued to hold the position of Chief Executive, Food for the Hungry UK during 2021. Mr Cornelius has significant experience of leadership positions in business as well as being an active Christian within his local community. Mr Cornelius is standing down as CEO at the end of December 2021 and will be succeeded by Mr Ian Johnson.

In addition, the charity benefits from the support of a number of part-time or full-time volunteers who are involved in the UK administration of Child Development Programmes, the organisation of team visits, applications for grants from Governments and Trusts and the day-to-day management of the Charity's finances. A consultant continued to be contracted during 2021, supported by a part-time employee, to help with applications to Trusts and Foundations and governmental sources of funding.

# FOOD FOR THE HUNGRY UK

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### Fundraising activities:

Income increased in 2021 by 21% to £936,515 from £775,038 in 2020. The increase was primarily due to higher levels of non-governmental grants and grants from businesses.

During the year the supporters who gave to the charity, either by standing order or direct debit, provided an average monthly contribution of £8730 (excluding Gift Aid), compared to £8706 (excluding Gift Aid) in 2020).

The income received in support of major projects is as set out below.

- £277,504 in respect of the Mwumba project in Burundi
- £67,851 in respect of the Buuri Cluster project
- £26,011 in respect of the Rwanda Nyabikeke Refugee Camp
- £47,500 in respect of the Bangladesh GOAC
- £65,025 towards the Bangladesh Fishing Project – Faroe Islands
- £24,720 in respect of the Buuri Early Childhood Development in Kenya
- £83,101 towards Buuri Livelihoods, Kenya
- £47,482 in respect of the Kenya Livestock project

£149,552 of grant funding was received in respect of the grants awarded to Food for the Hungry UK from the UK Government (FCDO) from their UK Aid Direct Community Partnership Fund. Funds are claimed from FCDO and spent in the UK or remitted to partners based on detailed expenditure forecasts. Any over- or under-spends are then settled the following quarter when actual expenditure is reported and reviewed. Receipts and funds remitted/other expenditure relating to these grants for the year were as follows:

	Uganda UK Aid Direct 9SG6-M6ZC-PR			Kenya UK Aid Direct PDSH-R37X-YV		
		£			£	
Grant received from FCDO		84,380			65,172	
Expenditure by FH-UK		-			-	
Funds remitted to FH-UK partner		105,995			78,362	
Under-/(over-) spend of funds		(21,615)			(13,190)	

#### Financial review

At the year ended 31 December 2021 the Charity's reserves stood at £104,810. This figure is considered consistent with meeting the objectives set out by the trustees above.

The results of the company for the year ended 31 December 2021 are set out in the attached financial statements drafted in accordance with the Companies Acts. The trustees of the charity consider the results for the year to be positive as they represent an increase in the level of funds raised and expenditure on projects compared with 2020.

# FOOD FOR THE HUNGRY UK

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Reserve policy

Generally the trustees do not seek to hold large reserves. Historically the trustees have considered it prudent to retain sufficient reserves to enable the charity to operate for 1-2 years on regular but lower levels of income. In addition the trustees hold additional reserves to fund new income raising opportunities and to manage short-term fluctuations in the funding of individual projects. This policy was maintained in 2021 based on the Charity's current administrative cost base.

At 31st December 2021 the Charity's reserves stood at £104,810. This figure is considered consistent with meeting the objectives set out by the trustees above.

The results of the company for the year ended 31st December 2021 are set out in the attached financial statements drafted in accordance with the Companies Acts. The trustees of the charity consider the results for the year to be positive as they represent an increase in the level of funds raised and expenditure on projects compared with 2020.

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 instrument where ethical or reputational issues are contrary to the values of FH-UK or FH.
2. The principal or capital amounts invested must not be at risk.

#### Risk management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Risk Management Policy: a comprehensive review of risks is undertaken by the Finance and Risk Sub-Committee and documented in a Risk Register. This register also identifies key risks to be managed together with a Risk Mitigation Action plan. It was reviewed twice by the Board of Trustees during 2021.

Key risks that have been identified include:

- a) Board Membership. The Board will continue to look for the opportunity to recruit further trustees with appropriate skills and experience.
- b) Vulnerability to loss of key staff members. This has in part been addressed by agreeing the process to be followed to put in place a successor to the current CEO and by expanding the number of volunteers in key areas.
- c) Overseas staff support depends on a small number of key staff members in the UK. This has been addressed by greater integration of the support offered from the UK with that provided by FH International to all field-based secondees. This risk has also reduced as there is at the present time only one individual on secondment.
- d) The potential impact of COVID-19 on the UK operations of the Charity and on the field-based projects that FH-UK supports. The Charity carried out a full review of the risks associated with COVID-19 and associated mitigation plans in 2021.

Employer's Liability, Public Liability and Legal Expenses have been insured under a Charity Connect policy with Ansva.



# FOOD FOR THE HUNGRY UK

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Plans for future periods

The Board of FH-UK has determined that the following will be the principal ways that FH-UK will aim to create public benefit:

- Maintaining support for Child Focussed Community Transformation Programmes (CFCT) in designated locations.
- Maintaining the individual donor support base for the Family and Community Transformation Programme in Bangladesh and seeking additional funding from appropriate grant giving organisations in the UK.
- Maintaining and expanding the ongoing financial support for our designated Community Partnerships through to the successful graduation of an individual community at the end of their project. Currently we have partnerships of this type with the Mwumba cluster of communities in Burundi and the Buuri cluster of communities in Kenya.
- Continuing to explore strategic partnerships with other third sector organisations whose aims and activities are consistent with FH-UK's vision and values
- Securing grants from governmental sources (FCDO, GOAC, JOAC and Faroe Islands) to fund projects which deliver significant improvements to communities in FH-UK's target countries
- Continuing to support our existing International Secondees who work for the benefit of the communities they serve in sub-Saharan Africa.

For 2022 the key areas of focus will be:

1. Develop a new strategy for FHUK which will be compatible with the organisation-wide strategy review being carried out by FHA. The FHA strategy review is underway and is due to be completed in the first half of 2022.
2. Maintaining and developing our relationship with GOAC, Faroe Islands and establishing a relationship with JOAC
3. Being ready to apply for further grants if applications for new programmes are invited by the FCDO.
4. Identifying and securing new sources of project funding
5. Supporting and expanding the scope of the programme with communities in the region of Mwumba in Burundi and the Buuri cluster of communities in Kenya.
6. Maintaining an effective response to the challenges presented by the Covid-19 pandemic.

#### Structure, governance and management

The charity is controlled by its governing document, a Deed of Trust, and constitutes a Limited Company, limited by guarantee, as defined by the Companies Act 2006.

# FOOD FOR THE HUNGRY UK

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr N M Bicknell (Resigned 28 October 2021)

Mr S P Herbert

Mr S Canham

Mr M Josten

Mr M A Viso

R Kayombo (Appointed 24 June 2021)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

FH-UK has a board of 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. 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 three.

In 2015 the Board of Trustees established the Finance and Risk Sub-Committee whose remit is to review and report back to the Board of Trustees on the Financial controls of the charity, longer term financial projections for the charity and the management of risk.

The experience and skill base of the current five trustees covers the following: Board membership for up to 20 years including one past or current member of the international executive team of FH, FH international Field Office experience, FH international Financial Management, preparing and leading teams to the Field, organisational development, planning and management.

The trustees continue to review all strategic and organisational development plans and key operational decisions presented to them by the Chief Executive.

In 2021 there was one part-time salaried employee whose role is to make grant applications on behalf of the Charity. Mr Paul Cornelius (Chief Executive) and a number of part-time or full-time volunteers provide support to FH-UK on an unpaid basis.

The responsibility of the Chief Executive and other volunteers is to execute the strategic plan agreed with the Board of Trustees. The principal purpose of FH-UK is to stimulate British support in the form of funds, people and prayer for the operation of FH's international relief and development activities.

#### **Wider network**

Links with Food for the Hungry Association (FH):

FH, a not-for-profit association incorporated in Geneva Switzerland, maintains programmes in over 19 of the world's poorest countries, with international field staff numbering about 3000, mostly locally employed. FH-UK, together with FH and each of the other nationally based organisations, has chosen to affiliate to an international covenant of common vision, principles and systems of working together.

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.

In 2021 Mark Viso served on the Board of FH-UK. Mark is the President and CEO of FHA. In June 2022 Rudo Kayombo joined the Board of FHUK. Rudo is the Chief Operating Officer of FHA.

# **FOOD FOR THE HUNGRY UK**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees' report, including the strategic report, was approved by the Board of Trustees.

Mr S Canham  
**Trustee**

27 April 2022

# FOOD FOR THE HUNGRY UK

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF FOOD FOR THE HUNGRY UK

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I report to the trustees on my examination of the financial statements of Food For The Hungry UK (the charity) for the year ended 31 December 2021.

#### **Responsibilities and basis of report**

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

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

#### **Independent examiner's statement**

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

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

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

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



**Mark Johnstone FCA**

Argents Accountants Limited  
15 Palace Street  
NORWICH  
Norfolk  
NR3 1RT  
United Kingdom

Dated: 27 April 2022

# FOOD FOR THE HUNGRY UK

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
	Notes					
<b><u>Income from:</u></b>						
Donations and legacies	3	38,628	896,289	934,917	43,121	773,933
Charitable activities	4	1,500	-	1,500	-	-
Investments	5	98	-	98	1,105	1,105
<b>Total income</b>		<b>40,226</b>	<b>896,289</b>	<b>936,515</b>	<b>44,226</b>	<b>775,038</b>
<b><u>Expenditure on:</u></b>						
Raising funds	6	32,383	-	32,383	22,978	22,978
Charitable activities	7	3,383	931,314	934,697	4,716	737,758
<b>Total expenditure</b>		<b>35,766</b>	<b>931,314</b>	<b>967,080</b>	<b>733,042</b>	<b>760,736</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>4,460</b>	<b>(35,025)</b>	<b>(30,565)</b>	<b>16,532</b>	<b>14,302</b>
Gross transfers between funds		(35,025)	35,025	-	(2,230)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(30,565)</b>	<b>-</b>	<b>(30,565)</b>	<b>14,302</b>	<b>14,302</b>
Fund balances at 1 January 2021		135,375	-	135,375	-	121,073
<b>Fund balances at 31 December 2021</b>		<b>104,810</b>	<b>-</b>	<b>104,810</b>	<b>-</b>	<b>135,375</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# FOOD FOR THE HUNGRY UK

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	14		101		143
<b>Current assets</b>					
Debtors	15	9,945		15,834	
Cash at bank and in hand		548,179		676,380	
		<u>558,124</u>		<u>692,214</u>	
<b>Creditors: amounts falling due within one year</b>	16	(453,415)		(556,982)	
Net current assets			104,709		135,232
<b>Total assets less current liabilities</b>			<u>104,810</u>		<u>135,375</u>
<b>Income funds</b>					
Unrestricted funds			104,810		135,375
			<u>104,810</u>		<u>135,375</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27 April 2022

Mr S Canham  
**Trustee**

**Company registration number 02394988**

# FOOD FOR THE HUNGRY UK

## STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 31 DECEMBER 2021

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	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	19		(128,299)		126,687
<b>Investing activities</b>					
Investment income received		98		1,105	
		<hr/>		<hr/>	
<b>Net cash generated from investing activities</b>			98		1,105
<b>Net cash used in financing activities</b>			-		-
			<hr/>		<hr/>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(128,201)		127,792
Cash and cash equivalents at beginning of year			676,380		548,588
			<hr/>		<hr/>
<b>Cash and cash equivalents at end of year</b>			548,179		676,380
			<hr/> <hr/>		<hr/> <hr/>

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Charity information

Food For The Hungry UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 15 Palace Street, NORWICH, Norfolk, NR3 1RT, United Kingdom.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.



# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable expenditure comprises grants made to fund the overseas work of FH 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.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	30% on reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Donations and legacies

	Unrestricted funds	Restricted funds general	Total	Unrestricted funds	Restricted funds general	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	38,628	365,312	403,940	40,054	329,371	369,425
Legacies receivable	-	23,474	23,474	-	-	-
Project Support Grants	-	507,503	507,503	3,067	401,441	404,508
	<u>38,628</u>	<u>896,289</u>	<u>934,917</u>	<u>43,121</u>	<u>730,812</u>	<u>773,933</u>

Restricted funds general Project Support Grants includes FCDO grants received in the year totalling £149,552. (see FCDO Grant note).

### 4 Charitable activities

	Core activities 2021 £	Core activities 2020 £
Other income	<u>1,500</u>	<u>-</u>

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	<u>98</u>	<u>1,105</u>

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Fundraising consultancy	8,500	9,220
Advertising	895	1,536
Staff costs	13,181	3,246
Support costs	9,807	8,976
	<hr/>	<hr/>
Fundraising and publicity	32,383	22,978
	<hr/>	<hr/>
	<u>32,383</u>	<u>22,978</u>

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 7 Charitable activities

	FH	SIS	Visits	Total	FH	SIS	Visits	Total
	2021	2021	2021	2021	2020	2020	2020	2020
	£	£	£	£	£	£	£	£
Travel and motor expenses	-	-	200	200	-	-	1,684	1,684
Meeting expenses	-	-	50	50	-	-	189	189
Bank charges	2,051	-	-	2,051	1,778	-	-	1,778
	<u>2,051</u>	<u>-</u>	<u>250</u>	<u>2,301</u>	<u>1,778</u>	<u>-</u>	<u>1,873</u>	<u>3,651</u>
Grant funding of activities (see note 9)	909,819	21,495	-	931,314	708,271	24,771	-	733,042
Share of support costs (see note 11)	-	1,082	-	1,082	-	1,065	-	1,065
	<u>911,870</u>	<u>22,577</u>	<u>250</u>	<u>934,697</u>	<u>710,049</u>	<u>25,836</u>	<u>1,873</u>	<u>737,758</u>
<b>Analysis by fund</b>								
Unrestricted funds	2,051	1,082	250	3,383	1,778	1,065	1,873	4,716
Restricted funds - general	909,819	21,495	-	931,314	708,271	24,771	-	733,042
	<u>911,870</u>	<u>22,577</u>	<u>250</u>	<u>934,697</u>	<u>710,049</u>	<u>25,836</u>	<u>1,873</u>	<u>737,758</u>

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Description of charitable activities

#### FH

Grant making to Food For The Hungry projects

#### SIS

Seconded International staff and team support

#### Visits

Food For The Hungry meeting and project attendance and Seconded International Staff visits.

### 9 Grants payable

	<b>FH</b>	<b>SIS</b>	<b>Total</b>	<b>FH</b>	<b>SIS</b>	<b>Total</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grants to institutions:						
Prog. Support - Bangladesh GOAC	47,500	-	47,500	25,000	-	25,000
Prog. Support - Bangladesh Fishing Project Faroe Islands	65,025	-	65,025	-	-	-
Prog. Support - Ethiopia	2,500	-	2,500	5,022	-	5,022
Prog. Support - Kenya	227,903	-	227,903	136,487	-	136,487
Prog. Support - Rwanda	56,099	-	56,099	4,660	-	4,660
Prog. Support - Uganda	108,697	-	108,697	147,000	-	147,000
Catalogue Gifts	870	-	870	908	-	908
Emergency Relief	5,715	-	5,715	225	-	225
Community Partnership - Buuri, Kenya	67,852	-	67,852	50,727	-	50,727
Child Focussed Community Transformation Bangladesh	17,230	-	17,230	16,684	-	16,684
Community Partnership - Mwumba, Burundi	277,504	-	277,504	226,254	-	226,254
Other Child Sponsorship - various	31,051	-	31,051	38,749	-	38,749
Rwanda Azizi Life	1,313	-	1,313	56,150	-	56,150
Mustard Seed Shared	560	-	560	405	-	405
Other	-	-	-	-	-	-
	<b>909819-</b>		<b>909819</b>	<b>708271-</b>		<b>708271</b>
Grants to individuals	<b>0</b>	<b>21495</b>	<b>21495</b>	<b>0</b>	<b>24771</b>	<b>24771</b>
	<b>909819</b>	<b>21495</b>	<b>931314</b>	<b>708271</b>	<b>24771</b>	<b>733042</b>

FH Programme support for Kenya and Uganda includes expenditure on FCDO grants of £184,357 (see FCDO Grants note)

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# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 10 FCDO Grants

FCDO is the UK Government's Foreign Commonwealth and Development Office. The grants were received from their Aid Direct Fund. Income and spending by Food for the Hungry UK relating to these grants for the year was as follows:

	Uganda UK Aid	Kenya UK Aid
	9SG6-M6ZC-PR	PDSH-R37X-YV
	£	£
Grant received from FCDO	84,379.65	65,171.87
Expenditure by FHUK	-	-
Funds remitted to FHUK partner	105,995.47	78,361.66
Under / (over) spend of funds	(21,615.82)	(13,189.79)

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 11 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020	Basis of allocation
	£	£	£	£	£	£	
Depreciation	42	-	42	60	-	60	Usage of computers and equipment
Employer's liability insurance	1,979	-	1,979	1,945	-	1,945	Staff time
Phone, print, post & stationery	5,016	-	5,016	4,778	-	4,778	Usage
Sundries	1,452	-	1,452	1,467	-	1,467	Relevance to activity
Accountancy	-	2,400	2,400	351	1,440	1,791	Relevance to activity
	<u>8,489</u>	<u>2,400</u>	<u>10,889</u>	<u>8,601</u>	<u>1,440</u>	<u>10,041</u>	
Analysed between							
Fundraising	7,407	2,400	9,807	7,536	1,440	8,976	
Charitable activities	1,082	-	1,082	1,065	-	1,065	
	<u>8,489</u>	<u>2,400</u>	<u>10,889</u>	<u>8,601</u>	<u>1,440</u>	<u>10,041</u>	



# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During 2021 donations made by Trustees to the Charity totalled £3,880 in aggregate.

### 13 Employees

The average monthly number of employees during the year was: 1

	2021 Number	2020 Number
Employees	1	1
	<u>          </u>	<u>          </u>
<b>Employment costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	13,181	3,246
	<u>          </u>	<u>          </u>

There were no employees whose annual remuneration was more than £60,000.

### 14 Tangible fixed assets

	Computers £
<b>Cost</b>	
At 1 January 2021	1,025
	<u>          </u>
At 31 December 2021	1,025
	<u>          </u>
<b>Depreciation and impairment</b>	
At 1 January 2021	882
Depreciation charged in the year	42
	<u>          </u>
At 31 December 2021	924
	<u>          </u>
<b>Carrying amount</b>	
At 31 December 2021	101
	<u>          </u>
At 31 December 2020	143
	<u>          </u>

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	-	1,219
Other debtors	8,254	12,636
Prepayments and accrued income	1,691	1,979
	<u>9,945</u>	<u>15,834</u>

### 16 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	-	318
Other creditors	451,495	555,224
Accruals and deferred income	1,920	1,440
	<u>453,415</u>	<u>556,982</u>

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Movement in funds				
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 31 December 2021	
	£	£	£	£	£	£	£	£	£	
FH Projects	-	649,486	(651,716)	2,230	-	479,284	(514,309)	35,025	-	
Seconded International Staff	-	24,771	(24,771)	-	-	21,650	(21,650)	-	-	
Mustard Seed Shared	-	405	(405)	-	-	405	(405)	-	-	
Rwanda Azizi Life	-	56,150	(56,150)	-	-	1,313	(1,313)	-	-	
	<u>-</u>	<u>730,812</u>	<u>(733,042)</u>	<u>2,230</u>	<u>-</u>	<u>502,652</u>	<u>(537,677)</u>	<u>35,025</u>	<u>-</u>	

As shown above restricted fund balances as at 31 December 2021 are £nil.

Of the £548,179 held in the bank at the year end £451,495 was in respect of restricted funds, being amounts amounts owed, pledged or promised and included within restricted fund other creditors as at 31 December totalling the same amount and split as follows:

	£
Food for the Hungry Association	<b>369,226</b>
Seconded International Staff	<b>11,533</b>
Mustard Seeds Shared	<b>20,736</b>
Rwanda Azizi Life	<b>50,000</b>
	<u><b>451,495</b></u>

As a result Net Assets held in the balance sheet in relation to restricted funds as at 31 December 2021 totalled £nil.

# FOOD FOR THE HUNGRY UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 18 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

19 Cash generated from operations	2021 £	2020 £
(Deficit)/surplus for the year	(30,565)	14,302
Adjustments for:		
Investment income recognised in statement of financial activities	(98)	(1,105)
Depreciation and impairment of tangible fixed assets	42	60
Movements in working capital:		
Decrease/(increase) in debtors	5,889	(2,771)
(Decrease)/increase in creditors	(103,567)	116,201
<b>Cash (absorbed by)/generated from operations</b>	<b>(128,299)</b>	<b>126,687</b>
20 Analysis of changes in net funds		
The charity had no debt during the year.		