

HUMANITY FIRST

Charity No. 1149693
Company No. 08253779

**TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

Haines Watts Kingston LLP
Aissela, 46 High Street
Esher, Surrey
KT10 9QY

HUMANITY FIRST

Contents

	Page
Administrative Information	1
Trustees Report	2
Independent Auditor's Report	9
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Accounts	14

HUMANITY FIRST

Information

COMPANY NUMBER	8253779
CHARITY NUMBER	1149693
GOVERNING DOCUMENT	Humanity First is governed by a Constitution. The Charity is an incorporated association.
MAIN OBJECTIVES	<p>To provide immediate relief to people in those parts of the world who have been the victims of natural or man made disasters.</p> <p>Relief is provided irrespective of nationality, race, colour, creed or religion. It is provided strictly on humanitarian grounds.</p> <p>To provide development aid to those in need in order to enable the donees to acquire key skills so that they can achieve self-sufficiency.</p>
REGISTERED OFFICE	27 Red Lion Business Park, Red Lion Road, Surbiton, Surrey, KT6 7QD
BANKERS	NatWest PLC
AUDITORS	Haines Watts Kingston LLP Aissela, 46 High Street Esher, Surrey, KT10 9QY
ORGANISATION	<p>Under the Board of Trustees, the chairman of Management Board, Mr Ahmad Yayah Sayed, who monitors disasters all over the world and takes action after consulting with the Board of Trustees.</p> <p>In the event of a disaster, a working committee for that particular disaster is appointed.</p> <p>The particular areas where work is done at present are Africa and Asia. The charity also has ongoing development projects in developing parts of the world with a view to endow the indigenous population with vital skills so that they can develop self-sufficiency.</p>
TRUSTEES:	Rafiq Ahmed Hayat Ahmad Yahya Sayed Mirza Mahmood Ahmad Dr Shabir Ahmad Bhatti Kaleem Chris Edwards William Bilal Atkinson Dr Syed Muzaffar Ahmad

Humanity First
(A company limited by guarantee)
Report of the trustees (incorporating the director's report)
For the year ended 31st December 2015

The trustees present their report of the activities of Humanity First (the 'Charity') for the period from 1st January 2015 to 31 December 2015 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. 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 this report are set out on page 1.

The financial statements comply with the Charities Act 2014, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

Structure, governance and management

The Charity is constituted as a company limited by guarantee, and is therefore governed by its Memorandum and Articles of Association. New trustees are appointed in accordance with its Articles of Association. The charity provides continued opportunities of training to all trustees both internal and external. The Charity is organised so that the trustees meet regularly to manage its affairs. The trustees have delegated the management of day to day affairs to the chairman. Humanity First organisations around the globe wherever they operate are registered as independent statutory registered bodies. There is no legal relationship of Humanity First (UK)with other Humanity First organisations except if there are any explicit project based partnership agreements which have been entered to advance the same objectives in joint operations. The operations of all Humanity First organisations are based on the same global vision and objectives and are mutually exclusive in their delivery.

Public benefit reporting

The key objectives of the charity were attained during the year by continued support and assistance to the people who have suffered from effects of natural disasters. The charity also continued its sustained projects in the field of Skills training, Medical training, Vocational centers, social uplifting, and Education.

The trustees state that they have complied with section 4 of the Charities Act 2006 with regards to public benefit guidance published by the commission.

Governance and internal control

The trustees actively review the major risks which the Charity faces on a regular basis and believe that maintaining reserves at current levels, combined with periodic review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the Charity and confirm that they have established systems to mitigate significant risks.

Objectives and activities

The Charity's objectives are to provide immediate relief to people in those parts of the world who have been the victims of natural or man-made disasters. Relief is provided irrespective of nationality, race, color, creed or religion. It is provided strictly on humanitarian grounds. The charity's other objective is to provide development aid to those in need in order to enable the beneficiaries to acquire key skills so that they can achieve self-sufficiency.

Disaster Response

Nepal Earthquake

On 25 April, a magnitude 7.8 earthquake struck the Gurkha region of Nepal killing almost 9,000 people. Humanity First sent two teams to Nepal. Initially a medical team of 12 went from the UK and ran medical camps around Gurkha for a week treating over 1,000 patients. A second team of 2 from the UK went a couple of weeks later, and assessed needs on the ground

whilst also helping build a temporary camp for women and children. A few weeks later, Humanity First worked with World Water Works (a Rotary company in Bath) to send 500 survival boxes that we distributed to affected families in the worst hit villages. In total, 9,000 people were assisted.

Ebola

Humanity First continued to work in Sierra Leone until the Ebola virus subsided. The Charity had a team of 40 working at the 6 main bus terminals and scanned over 1.1 million passengers in Freetown. Our teams visited 750 community settings to train 140,000 villagers in how to stay safe. As the situation began to normalise, Humanity First deployed water and sanitation facilities in 12 villages and 11 primary schools and trained children in the importance of hygiene to combat viruses such as Ebola. Humanity First also supported 109 orphans around Port Loko and also began to seed similar projects in Guinea Republic which had also been badly hit.

UK Floods

Humanity First worked with over 350 volunteers to respond to the floods across northern England. The team worked more than 7,400 hours on clear up tasks in affected villages in Cumbria, Yorkshire and Greater Manchester and assisted over 10,000 people in 38 locations. The team also worked with authorities to set up flood defences.

Syria Crisis

Humanity First continued to run two schools in Mafraq on the Jordanian-Syrian border and also assisted with the distribution of blankets.

Human Development Programmes

Water for Life

Humanity First continued to work on new water pumps and wells in the following countries: The Gambia, Sierra Leone, Ivory Coast, Uganda and Pakistan. In total, the Charity has now deployed 2,280 village solutions serving 3.6 million people.

Food Security

Humanity First started to support a food bank in Kingston, and is also exploring longer term assistance for the frail and elderly in the Surrey area.

In Africa, Humanity First supported farming initiatives and the distribution of food packs to the vulnerable in The Gambia, Sierra Leone, Ivory Coast, Burkina Faso, Uganda and Palestine. Rations were provided to around 49,900 people in 5 countries.

Education & Training

Humanity First extended its training facilities in Uganda at its Budaka campus and opened a second centre in Namwendwa. In 2015, 5,169 people graduated from 42 Humanity First training centres. Our IT training centre in Latrikunda (The Gambia) has now trained around 25,000 students, most of whom are women, to certificate or diploma level in a country with a population of less than 2 million!

A team of volunteer teachers worked on a pack of posters and other resources for classrooms which are being piloted in 2016 across ME and Africa.

Gift of Sight

Humanity First invested in a mobile eye surgery unit which was deployed in Burkina Faso. Some issues came up such as stability and dust, but having fixed those, the unit is now being used for cataract surgery across the country. In 2015, the Charity funded 2,511 eye procedures in West Africa.

Medical

Volunteer doctors, paramedics and nurses from the UK went to The Gambia to conduct training for dozens of local clinicians. Humanity First also supported medical camps in rural villages across Ivory Coast, Burkina Faso and The Gambia. Over the last 4 years, over 25% of doctors and nurses in The Gambia have received some form of training by Humanity First.

Achievements and performance

The charity continued to expand its services to the beneficiaries by enhancing support and exploring new avenues to maximize efficiency and impact.

The trustees and management continue to review and assess projects and implement plans for enhanced service and increase value addition.

The donations received by the Charity from all sources increased by 26% during the year to £977,800. The two major appeals during 2015 were the Nepal Earthquake appeal and Water for Life appeal.

Overall expenditure increased by 44% to £816,576 primarily due to the increase in charitable expenses driven by expenditure on relief efforts following Nepal Earthquake as well as a significant increase in Water for Life expenditure on the back of our successful fundraising appeal

Financial review

The charity achieved a net increase in reserves of £203,015 during the year. Management periodically reviews financial statements of the charity for budgetary compliance and carries out an expenditure review in support of charity objectives.

Reserves

It is the Charity's policy to have working capital requirement of approximately 9 months in the reserves. The trustees consider that the ideal level of unrestricted reserves as at 31 December 2015 would be £100,000. The present level of funding is adequate to support the continuation of the Charity's operations, and the trustees consider the financial position of the charity to be satisfactory.

Total reserves at year end were £1,334,918. These comprised of £598,600 of restricted reserves and £736,319 of unrestricted reserves held mainly in the form of office and warehouse building at a value of £509,198. The balance is represented by other liquid assets. The balance of liquid unrestricted reserves at year end was £227,121. This amount is sufficient to cover the working capital requirements as described above.

Restricted Reserves

Restricted funds are tied to a particular purpose as specified by the donor. A significant amount of restricted funds is raised following disaster appeals. These funds are often utilised in phases and hence the reserves will reduce over time. Whilst there is usually a large funding requirement in the immediate aftermath of a disaster, the rehabilitation phase of the disaster can often take place several years later. Hence the utilisation of restricted reserves will not necessarily be uniform but will depend on a number of factors including the situation on the ground, the short and longer term needs of the local communities as well as the capacity to deliver aid and relief projects. The annual budget, approved by the board of trustees, will outline the plans and for utilization of the restricted reserves following year taking into account all of these factors.

Investment powers, policy and performance

The trustees are empowered by the Memorandum and Articles of Association, to decide on the courses of action that they consider appropriate to further the Charity's objects.

Plans for future periods

The trustees continue to explore new ways to increase efficiency and effectiveness of the delivery of objectives by the charity. The trustees plan to put a robust plan in place to enhance its activities in education for next year along with engaging International bodies to put an effective disaster relief preparedness plan.

Employment policy

The Charity believes in the philosophy of an equal opportunities employer. However until now, it is served mostly by dedicated volunteers. The trustees appreciate this and wish to thank everyone involved who have given their valuable time and effort in furthering the Charity's objectives.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Humanity First for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practices.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP 2015 (FRS 102);
3. make judgments and estimates that are reasonable and prudent;
4. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

In so far as the trustees are aware:

- There is no relevant audit information of which the Charity's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

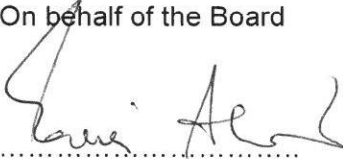
Auditor

A resolution proposing that Haines Watts be reappointed as auditor of the charity will be put to the Annual General Meeting.

Small Company Provisions

The report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

On behalf of the Board



.....
Dr S A Bhatti
Vice Chairman

30/9/16

Humanity First
(A company limited by guarantee)
Trustee's responsibilities statement
For the year ended 31st December 2015

The trustees (who are also directors of Humanity First for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

HUMANITY FIRST
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2015

We have audited the financial statements of Humanity First for the year ended 31 December 2015 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

HUMANITY FIRST
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2015

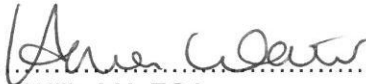
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. Or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and a strategic report.

.....
Jane Wills MA FCA
Senior Statutory Auditor
For and on behalf of Haines Watts Kingston LLP
Chartered Accountants
Aissela
46 High Street
Esher
Surrey
KT10 9QY

Date:.....
.....

HUMANITY FIRST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	2014 £
INCOME AND ENDOWMENTS					
Donations and legacies	10	408,558	569,242	977,800	776,822
Income from sale of merchandise		41,791	-	41,791	(7,756)
Total Income		450,349	569,242	1,019,591	769,067
EXPENDITURE					
Expenditure on Raising Funds	11	44,833	31,874	76,707	70,890
Expenditure on Charitable Activities	12	212,524	527,345	739,868	495,136
Total Expenditure		257,357	559,219	816,576	566,026
Net Income/(Expenditure) and net movement in funds for the year		192,992	10,024	203,015	203,041
Transfer between Funds	13	34,847	(34,847)	-	-
Reconciliation of Funds					
Total Funds brought forward		508,480	623,423	1,131,903	928,862
Total reserves carried forward		736,319	598,600	1,334,918	1,131,903

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on Pages 14 - 19 form a part of these Financial Statements


HUMANITY FIRST
Company No.08253779
BALANCE SHEET
AS AT 31ST DECEMBER 2015

	Notes	2015 £	2015 £	2014 £	2014 £
<u>FIXED ASSETS</u>					
Tangible Assets	4		509,198		519,965
<u>CURRENT ASSETS</u>					
Stocks of merchandise	5	4,232		-	
Accrued Income		7,495		-	
Debtors & Prepayments	6	20,371		18,337	
Cash in hand and at bank		905,163		712,106	
		<u>937,262</u>		<u>730,443</u>	
<u>CURRENT LIABILITIES</u>					
Creditors - Due within one year	7	(79,789)		(44,645)	
Net Current Assets			857,472		685,799
<u>Creditors - Due after one year</u>					
Bank loan	8		(31,752)		(73,861)
Total Assets less Liabilities			<u>1,334,918</u>		<u>1,131,903</u>
Represented by:					
<u>FUNDS</u>					
Unrestricted funds	9		736,319		508,480
Restricted funds	9		598,600		623,423
			<u>1,334,918</u>		<u>1,131,903</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on Pages 14 - 19 form a part of these Financial Statements

The financial statements were approved by the Board of Trustees on 30.09.2016


Dr S A Bhatti
Vice Chairman, Board of Trustees

HUMANITY FIRST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2015

		2015 £	2014 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	Note A	<u>240,015</u>	<u>223,814</u>
Cash flows from investing activities:			
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		<u>(2,848)</u>	<u>(6,360)</u>
Net cash provided by (used in) investing activities		<u>(2,848)</u>	<u>- 6,360</u>
Cash flows from financing activities:			
Repayments of borrowing		(44,111)	(44,943)
Cash inflows from new borrowing		-	-
Net cash provided by (used in) financing activities		<u>(44,111)</u>	<u>- 44,943</u>
Change in cash and cash equivalents in the reporting period		193,056	172,511
Cash and cash equivalents at the beginning of the repo	Note B	<u>712,107</u>	<u>539,596</u>
Cash and cash equivalents at the end of the reporting p	Note B	<u><u>905,163</u></u>	<u><u>712,107</u></u>

Note A: Reconciliation of net movement in funds to net cash flow from operating activities

Net movement in funds for the reporting period (as	203,015	203,041
Adjustments for:		
Depreciation charges	13,615	12,977
Interest included in repayments of borrowing	2,001	2,834
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	(4,232)	11,145
(Increase)/decrease in debtors	(9,529)	(6,118)
Increase/(decrease) in creditors	<u>35,144</u>	<u>(65)</u>
Net cash provided by (used in) operating activities	<u>240,015</u>	<u>223,814</u>

Note B: Analysis of cash and cash equivalents

Cash in hand	905,163	712,106
Notice deposits (less than 30 days)	-	-
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	<u>905,163</u>	<u>712,106</u>

HUMANITY FIRST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2015

1. Accounting Policies

1.1 Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with the 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 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Humanity First meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 Income

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity have entitlement to the funds;
- Any performance conditions;
- There is sufficient certainty that the receipt of the income is considered probable;
- The amount can be measured reliably.

Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate only if the trustees are satisfied that the claim will be successful.

Volunteer help

In accordance with the Charities SORP (FRS 102), the general volunteer time (described in the Trustees' report) is not recognised in the accounts.

1.3 Income from Sale of Merchandise

The current year figures within the Statement of Financial Activities show the split of income and expenditure. In the prior year, the loss on sale of merchandise was presented within income. The change in presentation is as a result of the material value of trade in 2015. The Trustees believe the revised presentation will also aid understanding to the user.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the account of the obligation can be measured reliably. Expenditure is classified under the following headings:

Expenditure on raising funds relates to the sale of merchandise, the costs of fundraising and their associated support costs.

Expenditure on charitable activities includes disaster relief and development aid in the form of projects, governance costs and their associated support costs.

Support costs provide indirect support to the Direct costs, for example central finance. Support costs not attributable to a single activity are allocated on a basis consistent with identified cost drivers for that cost category such as staff head count, floor space and expenditure and are apportioned to relevant restricted funds.

An analysis of the support costs and their basis of apportionment are included in Note 14.

1.5 Tangible Fixed Assets and Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

- Land and building - 2% reducing balance
- All other assets - 20% reducing balance

1.6 Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

HUMANITY FIRST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2015

1.8 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

1.9 Taxation

Under the relevant provision of the UK tax legislation the charity is exempt from UK taxation, as stated therein.

1.10 Funds

Restricted funds are spent in accordance with specific instructions of the donor.

Unrestricted income funds comprise those funds which are spent at the discretion of management committee for any purpose in the furtherance of the charitable objectives.

2. Operating Income

The operating income is stated after charging the following:

	2015 £	2014 £
Wages and salaries	58,023	52,866
Social Security Costs	1,229	938
Foreign Exchange Gains/(Losses)	(11,197)	(14,470)
During the year, remuneration to key management totalled	10,080	9,830

The Average monthly number of paid staff employed during the year was as follows:

	2015	2014
Full Time	2	2
Part Time	2	2

The charity's activities are carried out by a large number of volunteers and trustees who are not remunerated for their services to the company.

3. Bank Loan Interest

The bank charges the following interest on loans:

	2015 £	2014 £
Interest on Loan	2,001	2,834

4. Tangible Fixed Assets

	Total £	Computer Equipment £	Office Equipment £	Land & Building £
Cost				
As at January 1, 2015	567,079	33,400	7,568	526,111
Additions during the year	2,848	2,337	511	-
Disposal during the year	-	-	-	-
As at December 31, 2015	569,927	35,737	8,079	526,111
Depreciation				
As at January 1, 2015	47,114	25,428	903	20,783
Charge for the year	13,615	2,073	1,435	10,107
As at December 31, 2015	60,729	27,501	2,338	30,890
Net Book Value				
As at December 31, 2015	509,198	8,236	5,741	495,221

HUMANITY FIRST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2015

	2015	2014
	£	£
5. Stocks		
Stock of Merchandise bought for sale	4,232	-

	2015	2014
	£	£
6. Debtors & Prepayments		
Debtors	16,329	17,329
Advance: Sierra Leone	3,000	-
Social Security and Other Taxes	121	1,008
Prepayments	921	-
	20,371	18,337

	2015	2014
	£	£
7. Creditors - Amounts falling due within one year		
Creditors	25,900	-
Social Security and Other Taxes	4,452	1,336
Accruals	7,329	1,200
Bank Loan	42,109	42,109
	79,789	44,645

	2015	2014
	£	£
8. Creditors - Amounts falling due after more than one year		
Secured bank loan (falling due in less than 5 years)	31,752	73,861

The bank loan is secured on the office premises which has a carrying value of £495,221. If any event of default specified in the terms occurs, then the Bank may demand immediate repayment of the loan, all interest accrued and all other sums payable. The interest rate on the loan is 2.75% above base rate.

9. Movement in Funds	Balance at 01.01.15	Reserves Acquired	Donations	Transfer	Expenditure	Balance at 31.12.15
Unrestricted Reserves	508,480	-	450,349	34,847	(257,357)	736,319
Restricted Reserves	623,423	-	569,242	(34,847)	(559,219)	598,600
	1,131,903	-	1,019,591	-	(816,576)	1,334,918

10. Donation and Legacies	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds Total £	Total Funds 2014 £
Disaster Relief	-	260,866	260,866	151,416
Projects	435,910	273,529	709,439	625,406
Gift Aid	7,495	-	7,495	
Total Income	443,405	534,395	977,800	776,822

HUMANITY FIRST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2015

11. Expenditure on Raising Funds

	Direct Costs £	Support Costs £	Total Funds 2015 £	2014 £
Fundraising Expenses	25,746	-	25,746	25,418
Marketing & Advertising	25,395	-	25,395	38,819
Salaries and Wages	-	7,117	7,117	6,462
Subscriptions	-	64	64	191
Cost of Sales	18,386	-	18,386	
	<u>69,526</u>	<u>7,181</u>	<u>76,707</u>	<u>70,890</u>

12. Expenditure on Charitable Activities

	Direct Costs £	Support Costs £	Total Funds 2015 £	2014 £
a) Disaster Relief				
Haiti Disaster	16,116	1,739	17,855	-
Nepal Earthquake Appeal	113,020	12,192	125,213	-
Gaza Disaster Relief	43,296	4,671	47,967	17,040
UK Flood Relief	-	-	-	6,104
Syria Disaster	6,349	685	7,034	34,028
Pakistan Flood Relief	-	-	-	22,435
Ebola Campaign	68,350	7,373	75,723	9,827
	<u>247,132</u>	<u>26,660</u>	<u>273,791</u>	<u>89,433</u>

b) Projects

	Direct Costs £	Support Costs £	Total Funds 2015 £	2014 £
Water for Life	161,303	45,222	206,525	79,367
Learn- A -Skill Centres	33,396	9,363	42,758	76,310
Medical Camp	19,876	6,304	26,181	32,432
Feed a Village	13,817	3,874	17,691	64,070
Educational Projects - Knowledge for Life	17,050	4,780	21,830	63,544
Solar Village Project	-	-	-	-
Gift of Sight	28,595	8,017	36,611	63,352
Orphan Care	-	-	-	-
Land Development	23,669	6,636	30,305	-
	<u>297,705</u>	<u>84,195</u>	<u>381,901</u>	<u>379,074</u>

c) Other Charitable Expenses

Countries Administration Costs	16,750	4,696	21,445	
Others	13,799	3,868	17,667	2,125
Charity Donations	5,860	1,643	7,503	6,300
	<u>36,408</u>	<u>10,207</u>	<u>46,616</u>	<u>8,425</u>

HUMANITY FIRST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2015

d) Disaster Response Training	3,644	393	4,037	7,368
e) Governance Costs				
Audit Fee	5,678	-	5,678	1,365
Annual Report	1,314	-	1,314	650
Salaries and Wages	-	8,323	8,323	6,944
International conference	16,803	-	16,803	1,877
Legal Costs	1,406	-	1,406	-
	25,201	8,323	33,524	10,835
	610,090	129,778	739,868	484,301

13. Transfer between Funds

A transfer of £34,847 was made from restricted funds to unrestricted funds. This relates to unspent funds remaining from the Nepal Earthquake appeal once Humanity First had completed its relief work. Under the terms of the appeal, if monies raised exceed funding requirements or if it is no longer possible for monies to be spent effectively towards the specific programme then Humanity First can utilise the funds for other projects.

14. Analysis of Support Costs

Support costs are allocated on the following basis;

Support Costs	Head Office	Projects	Governance	Fundraising	Total	Basis of allocation
Rates	2,212	2,397	-	-	4,609	By Area
Water Rates	130	141	-	-	271	By Area
Light & Heat	532	576	-	-	1,107	By Area
Office Cleaning	1,050	1,138	-	-	2,188	By Area
Repair & Maintenance	1,483	1,607	-	-	3,090	By Area
Property Insurance	1,199	1,299	-	-	2,499	By Area
Service Charges	432	468	-	-	900	By Area
Staff Wages	24,831	18,073	8,150	6,969	58,023	By Time Spent on Activity
Employer NIC	526	383	173	148	1,229	By Time Spent on Activity
Telephone & Internet	2,754	-	-	-	2,754	Head Office
Printing, Postage & Stationery	2,646	-	-	-	2,646	Head Office
Computer Peripherals	1,076	1,165	-	-	2,241	By Area
Sundries	2,687	2,911	-	-	5,598	By Area
Freight	675	732	-	-	1,407	By Area
Staff Welfare Expenses	329	356	-	-	685	By Area
Website Promotion	1,291	1,399	-	-	2,690	By Area
Subscriptions	-	-	-	64	64	Fundraising
Bank Charges	6,382	-	-	-	6,382	Head Office
Loan Interest	960	1,040	-	-	2,001	By Area
Depreciation	6,535	7,080	-	-	13,615	By Area
Unallocated Costs	5,646	6,117	-	-	11,763	By Area
Foreign Exchange Losses	-	11,197	-	-	11,197	All Project
	63,378	58,078	8,323	7,181	136,959	

HUMANITY FIRST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2015

15. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	509,198		509,198
Cash and current investments	271,720	633,444	905,163
Other current assets/liabilities	(59,418)		(59,418)
Creditors more than one year	(31,752)		(31,752)
Total	689,748	633,444	1,323,191

16. Financial Instruments

Financial Instruments measured at amortised cost comprise the loan financing provided by Natwest to the Charity.

	2015	2014
	£	£
Loan payable (falling due within one year)	42,109	42,109
Loan payable (falling due in more than one year but less than 5 years)	31,752	73,861
	73,861	115,970

The loan financing is in the form of a secured loan with a variable interest rate. Further details are included on note 8.

17. Trustees Transactions

There was no remuneration paid to the Trustees in the year, nor expenses paid to Trustees. Total donations made to the charity by Trustees in the year was £9,515.

18. Company Limited by Guarantee

The Company is a company limited by guarantee and accordingly does not have share capital. The members of the Company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Company.