

**Report of the Trustees and
Financial Statements for the Year Ended 31 December 2014
for
Food For The Hungry UK**

Food For The Hungry UK

**Contents of the Financial Statements
for the year ended 31 December 2014**

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 14
Detailed Statement of Financial Activities	15

Food For The Hungry UK

Report of the Trustees for the year ended 31 December 2014

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

They would like again 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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02394988 (England and Wales)

Registered Charity number

328273

Registered office

15 Palace Street
NORWICH
Norfolk
NR3 1RT

Trustees

N Bicknell
P Mawditt
S P Herbert
S Canham
P Howard

Company Secretary

S Canham

Auditors

Argents Accountants Limited
Statutory Auditors
Chartered Accountants
15 Palace Street
NORWICH
Norfolk
NR3 1RT

Bankers

Barclays Bank plc
5/7 Red Lion Street
Norwich

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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.

Organisational structure

FH-UK has a board of 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 19 years including one past or current members of the international board of FH, FH international Field Office experience, FH international 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.

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

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

Food for the Hungry'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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wider network

Links with Food for the Hungry Association (FH)

FH, a not-for-profit association incorporated in Geneva Switzerland, maintains programmes in over 20 of the world's poorest countries with international field staff numbering about 1700, 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.

During 2014 Mr Peter Howard, served on the FH-UK Board while being a member of the FH executive team.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Risk Management Policy: a comprehensive review of risks is undertaken by the Operations Management 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 and updated during 2014.

Key risks that were identified include

- a) Small numbers of Board members. In 2012 Peter Howard joined the Board as a Trustee bringing the total number of Trustees to five. 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 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.

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

OBJECTIVES AND ACTIVITIES

Objectives and aims

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 20 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 recruiting and sending appropriate people to assist where most needed. Most of these overseas staff members are recruited and employed by FH-UK, for secondment to FH in their country of service. Such staff raise financial support to cover their employment costs from churches and from family and friends, with the assistance and facilitation of FH-UK. Other staff are hired directly by, and are salaried employees of, FH in Field Offices and support functions.

FH-UK continues to facilitate the visit of work teams from this country to FH field locations. Teams number 2-15 people, and are generally of approximately 2 weeks duration. Team members are responsible for raising funds to cover the costs of these trips, plus a contribution towards the cost of the work project.

FH-UK also seeks to create public benefit by informing and engaging people in the UK in the causes of physical and spiritual hunger and poverty, about appropriate Christian responses and to share its vision of community.

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 (NGDOs) through membership of BOND (the British Overseas NGOs in Development). We are also members of Global Connections and the Jubilee Debt Campaign.

Main specific objectives for the year included

- support of overseas staff,
- maintaining the UK support base for the Family and Community Transformation programme in Bangladesh,
- supporting the Community Transformation projects in Nkunga and Maisha Bora in Kenya, Yepa in Uganda and Puerto Comacho in Bolivia
- securing and supporting grants from DFID for FH projects in Kenya and Haiti
- supporting other FH projects in Burundi and DRC
- supporting the new sponsors recruited in 2013 for a number of FH Child Focussed Community Transformation projects in Africa and Latin America

Food For The Hungry UK

Report of the Trustees for the year ended 31 December 2014

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Field Activities:

During 2014 two multi-year grants were awarded to FH-UK in partnership with local FH organisations by DFID. The first of these began in June 2014 and will be run in partnership with FH Kenya. Its aim is to improve the livelihoods of pastoralist in Northern Kenya primarily by improving the effectiveness of local livestock markets. The second began in July 2014 and will be run in partnership with FH Haiti. The aim of this project is to improve the health of mothers and very young children in the Kenscoff region of Haiti. Both projects are on plan to achieve their goals at this early stage.

In 2014 a project has been launched in partnership with FH-DR Congo and Medical Aid Films to promote a range of maternal health improvements using a cascade model to reach out to local mothers.

The number of existing Child Sponsors fell slightly to 84 at the end of December 2014 (2013 - 88). A marketing programme was run in 2013 aimed at recruiting new supporters giving by standing order to FH's Child Focussed Community Transformation projects in Africa and Asia. As a result the number of supporters giving in this way stood at 200 at the end of December 2014 which represents an annual income of £46,668 (excluding Gift Aid).

Highfield Church in Southampton has continued its sponsorship through FH Kenya of Nkunga village, one of the neediest communities in the area, to the North-East of Mount Kenya. Highfield Church maintains a close link to the work taking place at Nkunga.

FH-UK has continued support for Community Transformation work in Maisha Bora, Kenya. This extremely poor community houses 1500 people, including over 300 orphaned and vulnerable children. Supported by 'community sponsors' from the UK, 16 child sponsors and the SDL Trust, local staff have been working alongside the community since 2008 for a planned 8-10 year period to overcome mass unemployment and disease in order to meet the basic needs of the most vulnerable children and families. We are extremely grateful for the financial support of the SDL Trust in respect of our work in Maisha Bora.

The Community Transformation project in Puerto Camacho Bolivia made further progress towards its goals through working with the children and families in the community in what has been a very challenging environment due to social deprivation and substance abuse. The result of the strategic review of the project that took place in 2014 is that the project will come to an end in 2015 in terms of the involvement of FH-UK but will continue under the leadership of a local church.

FH-UK continues to support the activities of FH Bangladesh and their large team of local staff who work in seven regions of the country 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. These groups help 12-20 adults, usually women, to transform their own lives and communities with confidence, skills and Biblical values. Within each group participants are encouraged to contribute to their own group savings account, and receive literacy, health, legal and business training. It costs £36 a month to run a group helping 12-20 people to realise their potential and lift their families out of poverty.

Overseas and FH Staff:

During 2014 the following individuals were on international secondments with various field organisations;

John and Kate Marsden are leading Mustard Seeds shared, an organisation based in Bangladesh which acts as a centre of excellence for training in Bangladesh and other developing nations in Asia.

Tom MacGregor is on a multi-year assignment in Rwanda. Tom has established a marketing company called Azizi Life, which is part of the PROCOM organisation in Rwanda. Azizi Life has established a number of successful product lines which are sold to customers overseas and has developed a local tourist industry.

Moira McLure After 5 year assignment with FH/Ethiopia as a Health and HIV Advisor, Moira is currently on secondment to the Beza International church in Addis Adaba.

Ed & Sarah Moulding, are seconded with FH/Bolivia. Ed is assistant to the Country Director and Ed and Sarah also lead SIS support in the country.

Costs for seconded international staff (SIS) are 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.

Work Teams:

The focus of short term overseas work teams is to facilitate teams from individual churches or groups of churches visiting communities in the field who are participating in FH field programmes with the aim of building long term relationships. In 2014, a combined team went out to Mwumba in Burundi from churches in Beaconsfield and Wadhurst, and a team of supporters from across the UK visited FH Bangladesh.

Staff:

Mr Paul Cornelius continued to hold the position of Chief Executive, Food for the Hungry UK. Mr Cornelius has significant experience of leadership positions in business as well as being an active Christian within his local community.

In 2014 there were no salaried employees. FH-UK 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.

Food For The Hungry UK

Report of the Trustees for the year ended 31 December 2014

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

Income increased from £399,100 in 2013 to £744,330 in 2014 .

In 2013 FHUK, in conjunction with FH carried out a campaign to recruit new supporters for a number of FH's Child Focused Community Transformation projects in Africa and Asia. At the end of December 2014 there were 200 supporters who had been recruited through this initiative and the total of supporters giving either by standing order or direct debit stood at 579 at the end of the year. During 2014 the average monthly contribution from standing orders/direct debits rose from £12,207 (excluding Gift Aid) in 2013 to £15,092 (excluding Gift Aid) in 2014.

In addition to our traditional sources of income the Charity benefitted in 2014 from the receipt of;

- £146,306 in respect of a legacy, grants and donations to fund FH DR Congo's work to improve the health of local mothers in eastern region of the DRC.

- £103,824 representing the second year of a grant in respect of an HIV project awarded to FH Burundi from ViiV Healthcare.

- £105,338 from DFID representing the funds received in 2014 in respect of multiyear FH projects in Kenya and Haiti

The £105,338 represents two grants won by Food for the Hungry UK from the UK Government Department for International Development (DFID) within their Global Poverty Action Fund. Funds are claimed from DFID and spent in the UK or remitted to partners based on detailed expenditure forecasts. Any over or underspend are then settled the following quarter when actual expenditure is reported and reviewed. Income and spending relating to these grants for the year was as follows:

	KENYA(GPAF INN 055)	HAITI(GPAF INN 056)
	£	£
Grant received from DFID	<u>55,880</u>	<u>49,459</u>
Funds remitted to FHUK partner	55,880	49,459
Expenditure by our partner	<u>(58,857)</u>	<u>(37,994)</u>
Under/(over) spend of funds	<u>(2,977)</u>	<u>11,465</u>

FINANCIAL REVIEW

Reserves 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 small 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 2014 based on the Charity's current low administrative cost base.

At 31 December 2014 the Charity's reserves stood at £102,208. This figure is considered sufficient to meet the objectives set out by the Trustees above.

Investment policy and objectives

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.

The results of the company for the year ended 31st December 2014 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 satisfactory as they represent a similar level of activity and expenditure on projects compared to 2013.

Food For The Hungry UK

Report of the Trustees for the year ended 31 December 2014

FUTURE DEVELOPMENTS

Future Plans

During the fourth quarter of 2014 the Board carried out an interim strategic review of the organisation's future direction.

The following were confirmed in this review as the principle ways that FH-UK aims to create public benefit:

- Increasing 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.
- Securing on-going financial support for the current Community Partnerships established with Yepa in Uganda, Mwumba in Burundi, the Nkunga and Maisha Bora communities in Kenya and to seek to establish new partnerships of a similar nature
- Continue to explore strategic partnerships with other third sector partners whose aims and activities are consistent with FH-UK's vision and values
- To deliver the agreed benefits from the DFID grants secured in 2014 for projects in Haiti and Kenya and to pursue, in partnership with various FH field organisations, other major grants (in excess of £100,000) from DFID and other large grant giving bodies .
- FH-UK will continue to support its' existing International Secondees and team visits of UK supporters to FH field locations.
- To carry out a full review of the potential costs and benefits of undertaking a large scale recruitment of supporters in the UK. This review will be carried out with input from external consultants and in partnership FH.

The development of this strategy will be reviewed regularly by the Board in 2015 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.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Food For The Hungry UK for the purposes of company law) are responsible for preparing the Report of the Trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 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.

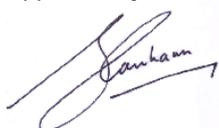
OTHER MATTER

These financial statements have been audited. The comparative figures for the year ended 31 December 2013 are unaudited. We were entitled to audit exemption for last year's financial period and opted to have an Independent Examination of the figures which raised no issues or concerns. The fact that the comparatives are unaudited is required to be disclosed by our auditors in their report, and it has been on page 6.

AUDITORS

The auditors, Argents Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 28 April 2015 and signed on its behalf by



S Canham - Trustee

Report of the Independent Auditors 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 2014 on pages seven to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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 auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page five, 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 Report of the Trustees 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 2014 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Other matter

The comparative figures for the year ended 31 December 2013 are unaudited.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees 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 from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



Mark Johnstone FCA (Senior Statutory Auditor)
for and on behalf of Argents Accountants Limited
Statutory Auditors
Chartered Accountants
15 Palace Street
NORWICH
Norfolk
NR3 1RT

29 April 2015

Food For The Hungry UK

Statement of Financial Activities
for the year ended 31 December 2014

	Notes	Unrestricted fund £	Restricted funds £	Total 2014 funds £	Total 2013 funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	50,664	693,187	743,851	398,420
Investment income	3	<u>479</u>	<u>-</u>	<u>479</u>	<u>589</u>
Total incoming resources		51,143	693,187	744,330	399,009
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	4	7,125	-	7,125	46,844
Charitable activities					
Grantmaking to FH projects	5	4,287	660,782	665,069	295,247
Seconded International Staff and Team support		930	49,595	50,525	62,734
FH meeting and project attendance and Seconded International Staff visits		9,827	-	9,827	3,098
Governance costs	8	<u>5,542</u>	<u>-</u>	<u>5,542</u>	<u>1,988</u>
Total resources expended		<u>27,711</u>	<u>710,377</u>	<u>738,088</u>	<u>409,911</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS					
		23,432	(17,190)	6,242	(10,902)
Gross transfers between funds	15	<u>(17,190)</u>	<u>17,190</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources		6,242	-	6,242	(10,902)
RECONCILIATION OF FUNDS					
Total funds brought forward		95,966	-	95,966	106,868
TOTAL FUNDS CARRIED FORWARD		<u>102,208</u>	<u>-</u>	<u>102,208</u>	<u>95,966</u>

The notes form part of these financial statements

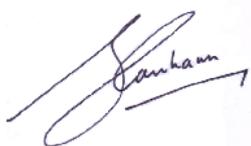
Food For The Hungry UK

Balance Sheet
At 31 December 2014

	Notes	Unrestricted fund £	Restricted funds £	Total 2014 funds £	Total 2013 funds £
FIXED ASSETS					
Tangible assets	12	8	-	8	124
CURRENT ASSETS					
Debtors	13	9,180	-	9,180	9,098
Cash at bank		<u>285,329</u>	<u>-</u>	<u>285,329</u>	<u>180,987</u>
		294,509	-	294,509	190,085
CREDITORS					
Amounts falling due within one year	14	(192,309)	-	(192,309)	(94,243)
NET CURRENT ASSETS					
		<u>102,200</u>	<u>-</u>	<u>102,200</u>	<u>95,842</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>102,208</u>	<u>-</u>	<u>102,208</u>	<u>95,966</u>
NET ASSETS					
		<u><u>102,208</u></u>	<u><u>-</u></u>	<u><u>102,208</u></u>	<u><u>95,966</u></u>
FUNDS					
Unrestricted funds	15			102,208	95,966
Restricted funds				-	-
TOTAL FUNDS					
				<u><u>102,208</u></u>	<u><u>95,966</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 28 April 2015 and were signed on its behalf by:



S Canham - Trustee

notes to the financial statements
for the year ended 31 December 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally 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.

An 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 retaining an element 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.

Resources expended

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.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination of the accounts 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 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.

Allocation and apportionment of costs

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 30% on reducing balance

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

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.

Notes to the Financial Statements - continued
for the year ended 31 December 2014

2. VOLUNTARY INCOME

	2014 £	2013 £
Donations	534,688	293,072
Grants	<u>209,163</u>	<u>105,348</u>
	<u>743,851</u>	<u>398,420</u>

Grants received, included in the above, are as follows:

	2014 £	2013 £
Burundi Viiv Healthcare grant	103,824	105,348
DFID - Kenya	55,880	-
DFID - Haiti	<u>49,459</u>	<u>-</u>
	<u>209,163</u>	<u>105,348</u>

3. INVESTMENT INCOME

	2014 £	2013 £
Interest	<u>479</u>	<u>589</u>

4. COSTS OF GENERATING VOLUNTARY INCOME

	2014 £	2013 £
Fundraising and publicity	648	39,283
Fundraising consultancy	705	1,664
Support costs	<u>5,772</u>	<u>5,897</u>
	<u>7,125</u>	<u>46,844</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (See note 6) £	Support costs (See note 7) £	Totals £
Grantmaking to FH projects	4,287	660,782	-	665,069
FH meeting and project attendance and Seconded International Staff visits	9,827	-	-	9,827
Seconded International Staff and Team support	<u>-</u>	<u>49,595</u>	<u>930</u>	<u>50,525</u>
	<u>14,114</u>	<u>710,377</u>	<u>930</u>	<u>725,421</u>

6. GRANTS PAYABLE

	2014 £	2013 £
Grantmaking to FH projects	660,782	294,952
Seconded International Staff and Team support	<u>49,595</u>	<u>61,837</u>
	<u>710,377</u>	<u>356,789</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2014

6. GRANTS PAYABLE - continued

The total grants paid to institutions during the year was as follows:

	2014 £	2013 £
Programme Support - Asia/ Asia Creative Fielfs	-	1,000
Programme Support - Bangladesh	325	945
Programme Support - Bangladesh Comms Officer	-	1,500
Programme Support - Bangladesh Relief	10,479	-
Programme Support - Burundi	145,313	106,848
Programme Support - DR Congo	134,341	9,482
Programme Support - DRC Maternity wing	11,965	-
Programme Support - Ethiopia	34,083	1,524
Programme Support: Haiti (DFID)	49,459	-
Programme Support - Kenya (DFID)	55,880	7,120
Programme Support - Kenya	51	-
Programme Support - Philippines Typhoon	-	3,012
Programme Support - Rwanda	-	57
Programme Support - South Sudan	10,000	-
Programme Support - Syria	-	1,612
Programme Support - Uganda	361	2,250
Health Centre - Kyoga	135	693
Work Teams - Various	26,934	6,178
Women of Action - Bangladesh	55,084	68,966
Marisha Bora - Kenya	16,579	21,701
Child Sponsorship - Various	109,793	62,064
	<u>660,782</u>	<u>294,952</u>

The total grants paid to individuals during the year was as follows:

	2014 £	2013 £
Support: Burns - Bolivia	-	304
Support:Burton - Bangladesh	-	793
Support: Danz - Bangladesh	690	750
Support: Eicher	60	200
Support: MacGregor - Rwanda	8,700	14,416
Support:Marsden - Bangladesh	19,681	19,110
Support: McLure - Ethiopia	2,108	9,511
Support:Moulding - Bolivia	18,356	16,753
	<u>49,595</u>	<u>61,837</u>

7. SUPPORT COSTS

	General £
Costs of generating voluntary income	5,772
Governance costs	742
Seconded International Staff and Team support	930
	<u>7,444</u>

Support costs, included in the above, are as follows:

	Costs of generating voluntary income £	Governance costs £	Seconded International Staff and Team support £	2014 Total activities £	2013 Total activities £
Employer's liability insurance	852	-	-	852	798
Telephone, postage, printing and stationery	4,428	554	554	5,536	6,010
Subscriptions	376	188	376	940	700
	<u>5,656</u>	<u>742</u>	<u>930</u>	<u>7,328</u>	<u>7,508</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2014

7. SUPPORT COSTS - continued

	Costs of generating voluntary income £	Governance costs £	Seconded International Staff and Team support £	2014 Total activities £	2013 Total activities £
Brought forward	5,656	742	930	7,328	7,508
Depreciation of tangible and heritage assets	<u>116</u>	<u>-</u>	<u>-</u>	<u>116</u>	<u>54</u>
	<u>5,772</u>	<u>742</u>	<u>930</u>	<u>7,444</u>	<u>7,562</u>

8. GOVERNANCE COSTS

	2014 £	2013 £
Legal and professional	-	1,236
Auditors' remuneration	4,800	-
Support costs	<u>742</u>	<u>752</u>
	<u>5,542</u>	<u>1,988</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2014 £	2013 £
Auditors' remuneration	4,800	-
Depreciation - owned assets	<u>3</u>	<u>54</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2014 nor for the year ended 31 December 2013.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2014 nor for the year ended 31 December 2013.

11. GLOBAL POVERTY ACTION FUND GRANTS

As shown in notes 2 and 6 two grants were won by Food for the Hungry UK from the UK Government Department for International Development (DFID) within their Global Poverty Action Fund. Funds are claimed from DFID and spent in the UK or remitted to partners based on detailed expenditure forecasts. Income and spending by Food for the Hungry UK relating to these grants for the year was as follows:

	KENYA(GPAF INN 055) £	HAITI(GPAF INN 056) £
Grant received from DFID	<u>55,880</u>	<u>49,459</u>
Funds remitted to FHUK partners	<u>55,880</u>	<u>49,459</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2014

12. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2014	1,853
Disposals	<u>(1,668)</u>
At 31 December 2014	<u>185</u>
DEPRECIATION	
At 1 January 2014	1,729
Charge for year	3
Eliminated on disposal	<u>(1,555)</u>
At 31 December 2014	<u>177</u>
NET BOOK VALUE	
At 31 December 2014	<u>8</u>
At 31 December 2013	<u>124</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Gift aid	<u>9,180</u>	<u>9,098</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Food for the Hungry Association	187,509	93,007
Accruals	<u>4,800</u>	<u>1,236</u>
	<u>192,309</u>	<u>94,243</u>

15. MOVEMENT IN FUNDS

	At 1.1.14 £	Net movement in funds £	Transfers between funds £	At 31.12.14 £
Unrestricted funds				
General fund	95,966	23,432	(17,190)	102,208
Restricted funds				
FH projects	-	(17,230)	17,230	-
Seconded international staff	<u>-</u>	<u>40</u>	<u>(40)</u>	<u>-</u>
	-	(17,190)	17,190	-
TOTAL FUNDS	<u>95,966</u>	<u>6,242</u>	<u>-</u>	<u>102,208</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2014

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	51,143	(27,711)	23,432
Restricted funds			
FH projects	643,552	(660,782)	(17,230)
Seconded international staff	<u>49,635</u>	<u>(49,595)</u>	<u>40</u>
	693,187	(710,377)	(17,190)
	<u>693,187</u>	<u>(710,377)</u>	<u>(17,190)</u>
TOTAL FUNDS	<u>744,330</u>	<u>(738,088)</u>	<u>6,242</u>

16. RELATED PARTY DISCLOSURES

Charitable donations have been committed to Food for the Hungry Association (FH), a not-for-profit international association. Food for the Hungry UK is affiliated to FH and Peter Howard is on the executive team of FH. These donations were for onward transmission to overseas projects referred to in note 6 and amounted to £522,484 (2013: £315,573). A balance of £187,509 (2013: £93,008) owing to FH was outstanding at the year end. The seconded international staff supported by Food for the Hungry UK work in FH field offices.

Food For The Hungry UK**Detailed Statement of Financial Activities
for the year ended 31 December 2014**

	2014	2013
	£	£
INCOMING RESOURCES		
Voluntary income		
Donations	534,688	293,072
Grants	<u>209,163</u>	<u>105,348</u>
	743,851	398,420
Investment income		
Interest	<u>479</u>	<u>589</u>
Total incoming resources	744,330	399,009
RESOURCES EXPENDED		
Costs of generating voluntary income		
Fundraising and publicity	648	39,283
Fundraising consultancy	<u>705</u>	<u>1,664</u>
	1,353	40,947
Charitable activities		
Travel and motor expenses	7,653	2,349
Meeting expenses	4,456	741
Bank charges	2,005	287
Grants to institutions	660,782	294,952
Grants to individuals	<u>49,595</u>	<u>61,837</u>
	724,491	360,166
Governance costs		
Legal and professional	-	1,236
Auditors' remuneration	<u>4,800</u>	<u>-</u>
	4,800	1,236
Support costs		
General		
Employer's liability insurance	852	798
Telephone, postage, printing and stationery	5,536	6,010
Subscriptions	940	700
Computer equipment	<u>116</u>	<u>54</u>
	<u>7,444</u>	<u>7,562</u>
Total resources expended	738,088	409,911
Net income/(expenditure)	<u><u>6,242</u></u>	<u><u>(10,902)</u></u>

This page does not form part of the statutory financial statements