

**Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 December 2016  
for  
Food For The Hungry UK**

Argents Chartered Accountants  
15 Palace Street  
NORWICH  
Norfolk  
NR3 1RT

## Food For The Hungry UK

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## **Food For The Hungry UK**

### **Report of the Trustees for the year ended 31 December 2016**

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 2016. The trustees have adopted the provisions of 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).

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 and volunteers in the UK and overseas for sacrificially sharing their lives with the needy.

### **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 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 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 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 (NGDOs) 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

- Investigating and deciding upon new routes to grow the individual donor base that supports the charity
- 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, Mwumba in Burundi
- completing the delivery of projects funded by grants from DFID for FH projects in Kenya and Haiti
- supporting the existing base of individual sponsors of a number of FH Child Focussed Community Transformation projects in Africa and Latin America
- raising money for overseas appeals
- support of overseas staff

#### **Public benefit**

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

#### **Volunteers**

The roles carried out 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 50%
4. Book keeper 30%
5. Admin assistant 20%
6. Child Sponsorship communications 40%
7. Child sponsorship communications 40%

## **Food For The Hungry UK**

### **Report of the Trustees for the year ended 31 December 2016**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

###### **Field Activities:**

In 2014 the charity was awarded, in partnership with local FH organisations two multi-year grants by DFID. The first of these which is being run in partnership with FH Kenya began in June 2014. Its aim is to improve the livelihoods of pastoralists in Northern Kenya primarily by improving the effectiveness of local livestock markets. The second which is being run in partnership with FH Haiti began in July 2014. The aim of this project is to improve the health of mothers and very young children in the Kenscoff region of Haiti. During 2016 both projects were brought to a successful conclusion achieving their planned goals within the budgets agreed by DFID for the project activities that were undertaken.

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 continued financial support of the SDL Trust in respect of our work in Maisha Bora.

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 to empower 12-20 women to realise their potential and through economic development, lift their families out of poverty.

###### **Overseas and FH Staff:**

During 2016 the following individuals were on international secondments with various field organisations; Tom MacGregor is on a multi-year assignment in Rwanda. Tom has established a marketing company called Azizi Life, which has established a number of successful product lines which are sold to customers overseas and is assisting in developing the local tourist industry.

Ed & Sarah Moulding, have been on secondment with FH/Bolivia. Ed has been acting as the assistant to the Country Director and Ed and Sarah have also lead SIS support in the country. Ed and Sarah's secondment came to an end in December 2016.

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 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. During 2016 Highfield Church in Southampton made a visit to Nkunga in Uganda.

###### **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 March 2016 Sarah Armitage joined FHUK as Director of Development and Communications. 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.

## Food For The Hungry UK

### Report of the Trustees for the year ended 31 December 2016

#### ACHIEVEMENT AND PERFORMANCE

##### Fundraising activities

Income decreased from £768,316 in 2015 to £630,635 in 2016. The reduction in income was primarily due to the reduced level of grant funding from DFID in respect of the projects in Haiti and Kenya (2016 £135,433 vs. 2015 £246,227).

During the year the supporters who gave to the charity either by standing order or direct debit provided an average monthly contribution of £11,648 (excluding Gift Aid) which compared to £12,907 (excluding Gift Aid) in 2015.

In addition to our traditional sources of income the Charity benefitted in 2016 from the receipt of

- £54,583 raised in respect of a pre-school project in Bangladesh.
- £135,433 from DFID representing the funds received in 2016 in respect of multiyear FH projects in Kenya and Haiti
- £51,907 raised to support the work on the New Life Centre located in Kitgum, Uganda

The £135,433 represents income received in respect of the two grants awarded to 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 under spend 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 was as follows:

	KENYA(GPAF INN 055)	HAITI(GPAF INN 056)
	£	£
Grant received from DFID	48,270	87,163
Expenditure by FHUK	0	919
Funds remitted to FHUK partner	53,270	86,244
Expenditure by our partner	(53,270)	(88,196)
Under/(over) spend of funds	0	(1,952)

#### FINANCIAL REVIEW

##### 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.

##### 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 2016 based on the Charity's current low administrative cost base.

At 31st December 2016 the Charity's reserves stood at £136,239. This figure is considered consistent with meet the objectives set out by the Trustees above.

The results of the company for the year ended 31st December 2016 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 satisfactory as they represent the maintenance of the level of funds raised and expenditure on projects seen in 2015 after allowing for the expected run-down of the grants received from DFID in line with the completion of the projects.

## **Food For The Hungry UK**

### **Report of the Trustees for the year ended 31 December 2016**

#### **FUTURE PLANS**

During 2014 Board carried out a strategic review which concluded that the following would be the principal ways that FH-UK will aim 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 with FH.

Following the strategic review in 2014 the Board in 2015 has investigated a range of initiatives which have the potential to increase the number of individuals who support the work of charity through regular giving. The conclusions of this review to date are as follows

- 1) The focus should be primarily on recruiting supporters for FH's Child Focussed Community Transformation work
- 2) That our efforts should be focussed on small to medium sized programmes as there was insufficient funding available at the present time to underpin any major mass marketing campaigns
- 3) Wherever possible FH-UK should look to make use of the resources of the wider FH International organisation in areas such as establishing links to the US Artists Programme as a means of reaching a new audience in the UK and partnering with the global web support teams.
- 4) FH-UK will invest a substantial portion of its unrestricted reserves in support of this initiative which would include the recruitment of a salaried employee to lead the charity's fundraising and communication with existing and potential supporters

In 2016 the implementation of the programme outlined in 2015 included the appointment of Sarah Armitage as Director of Development and Communications. Following Sarah joining FHUK a number of options to grow our UK supporter base have been assessed and a number of new initiatives launched. In 2017 the Board will carry out a full review of the current strategic direction.

#### **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.

## **Food For The Hungry UK**

### **Report of the Trustees for the year ended 31 December 2016**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

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 six 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, marketing and communications.

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

In 2016 there was one salaried employee who joined FHUK in March as Director of Development and Communications. The primary purpose of this new position is to improve engagement with current and potential supporters of FHUK and to improve fundraising. 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 FHUK 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 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 2016 Mr Peter Howard, served on the FH-UK Board of Trustees 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 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 2016.

Key risks that have been identified include

- a) Small numbers of Board members. In 2015 Thea Cole (Garner) joined the Board as a trustee bringing the total number of trustees to six and increasing the Board's experience in the key areas of marketing and communications. 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. In 2016 a full time salaried employee was recruited to lead FHUK's fundraising and communication activities.
- 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 in proportion to the lower number of staff on secondment.

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

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

02394988 (England and Wales)

**Food For The Hungry UK**

**Report of the Trustees  
for the year ended 31 December 2016**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**  
328273

**Registered office**

15 Palace Street  
NORWICH  
Norfolk  
NR3 1RT

**Trustees**

N Bicknell  
P Mawditt - resigned 24.6.2016  
S P Herbert  
S Canham  
P Howard  
Mrs T Garner  
M Josten - appointed 14.10.2016

**Company Secretary**

S Canham

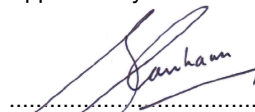
**Independent examiner**

Argents Chartered Accountants  
15 Palace Street  
NORWICH  
Norfolk  
NR3 1RT

**Bankers**

Barclays Bank plc  
5/7 Red Lion Street  
Norwich

Approved by order of the board of trustees on ..... 11th may 2017 ..... and signed on its behalf by:

  
.....  
S Canham - Trustee



**Independent Examiner's Report to the Trustees of  
Food For The Hungry UK**

I report on the accounts for the year ended 31 December 2016 set out on pages eight to eighteen.

**Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of 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 1 January 2015)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mark Johnstone FCA  
Argents Chartered Accountants  
15 Palace Street  
NORWICH  
Norfolk  
NR3 1RT

Date: 11th May 2017 .....

**Food For The Hungry UK**

**Statement of Financial Activities  
for the year ended 31 December 2016**

	Notes	Unrestricted fund £	Restricted funds £	2016 Total funds £	2015 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	68,647	560,251	628,898	767,152
Investment income	3	1,737	-	1,737	1,164
<b>Total</b>		<b>70,384</b>	<b>560,251</b>	<b>630,635</b>	768,316
<b>EXPENDITURE ON</b>					
Raising funds	4	39,553	-	39,553	14,266
<b>Charitable activities</b>					
Grantmaking to FH projects	5	1,666	537,813	539,479	706,723
Seconded International Staff and Team support		1,146	32,647	33,793	20,124
FH meeting and project attendance and					
Seconded International Staff visits		2,674	-	2,674	3,480
Other		2,135	-	2,135	2,693
<b>Total</b>		<b>47,174</b>	<b>570,460</b>	<b>617,634</b>	747,286
<b>NET INCOME/(EXPENDITURE)</b>		<b>23,210</b>	<b>(10,209)</b>	<b>13,001</b>	21,030
<b>Transfers between funds</b>	16	<b>(10,209)</b>	<b>10,209</b>	-	-
<b>Net movement in funds</b>		<b>13,001</b>	-	<b>13,001</b>	21,030
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>123,238</b>	-	<b>123,238</b>	102,208
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>136,239</b>	-	<b>136,239</b>	123,238

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**Food For The Hungry UK**

**Balance Sheet  
At 31 December 2016**

	Notes	Unrestricted fund £	Restricted funds £	2016 Total funds £	2015 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	592	-	592	6
<b>CURRENT ASSETS</b>					
Debtors	14	13,926	-	13,926	6,699
Cash at bank		391,466	-	391,466	409,203
		<u>405,392</u>	-	<u>405,392</u>	415,902
<b>CREDITORS</b>					
Amounts falling due within one year	15	(269,745)	-	(269,745)	(292,670)
<b>NET CURRENT ASSETS</b>					
		<u>135,647</u>	-	<u>135,647</u>	123,232
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>136,239</u>	-	<u>136,239</u>	123,238
<b>NET ASSETS</b>					
		<u><u>136,239</u></u>	-	<u><u>136,239</u></u>	<u><u>123,238</u></u>
<b>FUNDS</b>					
Unrestricted funds	16			136,239	123,238
Restricted funds				-	-
<b>TOTAL FUNDS</b>					
				<u><u>136,239</u></u>	<u><u>123,238</u></u>


The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees on ..... 11th May 2017 ..... and were signed on its behalf by:

  
.....  
S Canham (Trustee)

The notes form part of these financial statements

**Food For The Hungry UK**

**Cash Flow Statement  
for the year ended 31 December 2016**

	Notes	2016 £	2015 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<b>(16,968)</b>	124,012
Finance costs		<b>(1,666)</b>	(1,302)
<b>Net cash provided by (used in) operating activities</b>		<b>(18,634)</b>	122,710
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<b>(840)</b>	-
Interest received		<b>1,737</b>	1,164
<b>Net cash provided by (used in) investing activities</b>		<b>897</b>	1,164
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(17,737)</b>	123,874
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>409,203</b>	285,329
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>391,466</b>	409,203

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the year ended 31 December 2016

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>13,001</b>	21,030
<b>Adjustments for:</b>		
Depreciation charges	254	2
Interest received	(1,737)	(1,164)
Finance costs	1,666	1,302
(Increase)/decrease in debtors	(7,227)	2,481
(Decrease)/increase in creditors	(22,925)	100,361
	<u>          </u>	<u>          </u>
<b>Net cash provided by (used in) operating activities</b>	<b>(16,968)</b>	124,012
	<u>          </u>	<u>          </u>

**Notes to the Financial Statements  
for the year ended 31 December 2016**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**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.

**Allocation and apportionment of costs**

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

**Tangible fixed assets**

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

Computer equipment - 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 2016

2. DONATIONS AND LEGACIES

	2016 £	2015 £
Donations	330,908	344,569
Grants	297,990	422,583
	<u>628,898</u>	<u>767,152</u>

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

	2016 £	2015 £
Other grants	<u>297,990</u>	<u>422,583</u>

3. INVESTMENT INCOME

	2016 £	2015 £
Interest	<u>1,737</u>	<u>1,164</u>

4. RAISING FUNDS

Raising donations and legacies

	2016 £	2015 £
Staff costs	28,225	-
Fundraising and publicity	5,823	3,897
Fundraising consultancy	-	3,720
Support costs	5,505	6,649
	<u>39,553</u>	<u>14,266</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (See note 6) £	Support costs (See note 7) £	Totals £
Grantmaking to FH projects	1,666	537,813	-	539,479
FH meeting and project attendance and Seconded International Staff visits	2,674	-	-	2,674
Seconded International Staff and Team support	-	32,647	1,146	33,793
	<u>4,340</u>	<u>570,460</u>	<u>1,146</u>	<u>575,946</u>

6. GRANTS PAYABLE

	2016 £	2015 £
Grantmaking to FH projects	537,813	705,421
Seconded International Staff and Team support	32,647	18,966
	<u>570,460</u>	<u>724,387</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2016

6. GRANTS PAYABLE - continued

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

	2016	2015
	£	£
Programme Support - Burundi	25,914	150,168
Programme Support - DR Congo	(87,064)	1,775
Programme Support - DRC Maternity wing	739	28,480
Programme Support - Ethiopia	-	28,532
Programme Support: Haiti (DFID)	91,044	105,377
Programme Support - Kenya (DFID)	53,993	140,850
Programme Support - Kenya	6,990	14,500
Programme Support - South Sudan	10,000	-
Programme Support - Uganda	371	304
Health Centre - Kyoga	-	67
Work Teams - Various	16,715	-
Women of Action - Bangladesh	43,487	46,652
Marisha Bora - Kenya	26,358	37,123
Child Sponsorship - Various	102,991	123,019
Mustard Seeds Shared	17,834	28,394
Nepal Relief	-	180
Uganda Kitgum New Life Centre	148,080	-
Bangladesh Preschool	54,583	-
Haiti Hurricane Relief	8,248	-
Syria Relief	17,530	-
	<u>537,813</u>	<u>705,421</u>

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

	2016	2015
	£	£
SIS support - Bangladesh	437	3,594
SIS support - Rwanda	15,873	12,000
SIS support - Bangladesh	-	(16,808)
SIS support - Ethiopia	225	1,603
SIS support - Bolivia	16,112	18,577
	<u>32,647</u>	<u>18,966</u>

7. SUPPORT COSTS

	Management	Governance	Totals
	£	costs £	£
Costs of generating voluntary income	5,505	-	5,505
Other resources expended	899	1,236	2,135
Seconded International Staff and Team support	1,146	-	1,146
	<u>7,550</u>	<u>1,236</u>	<u>8,786</u>

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



Notes to the Financial Statements - continued  
for the year ended 31 December 2016

7. SUPPORT COSTS - continued

	Costs of generating voluntary income £	Other resources expended £	Seconded International Staff and Team support £	2016  Total activities £	2015  Total activities £
Employer's liability insurance	1,025	-	-	1,025	966
Telephone, postage, printing and stationery	3,603	588	523	4,714	7,740
Subscriptions	623	311	623	1,557	-
Depreciation of tangible and heritage assets	254	-	-	254	2
Recruitment costs	-	-	-	-	556
Accountancy and IE	-	1,236	-	1,236	1,236
	<u>5,505</u>	<u>2,135</u>	<u>1,146</u>	<u>8,786</u>	<u>10,500</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2016 £	2015 £
Depreciation - owned assets	<u>254</u>	<u>2</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2016 nor for the year ended 31 December 2015.

**Donations from trustees**

During 2016 donations made by Trustees to the Charity totalled £7,930 in aggregate.

10. STAFF COSTS

	2016 £	2015 £
Wages and salaries	<u>28,225</u>	<u>-</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Development and communications	<u>1</u>	<u>-</u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	50,996	716,156	767,152
Investment income	1,164	-	1,164

Notes to the Financial Statements - continued  
for the year ended 31 December 2016

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
<b>Total</b>	<b>52,160</b>	<b>716,156</b>	768,316
<b>EXPENDITURE ON</b>			
Raising funds	14,266	-	14,266
<b>Charitable activities</b>			
Grantmaking to FH projects	1,302	705,421	706,723
Seconded International Staff and Team support	1,158	18,966	20,124
FH meeting and project attendance and Seconded International Staff visits	3,480	-	3,480
Other	2,693	-	2,693
<b>Total</b>	<b>22,899</b>	<b>724,387</b>	747,286
<b>NET INCOME/(EXPENDITURE)</b>	<b>29,261</b>	<b>(8,231)</b>	21,030
<b>Transfers between funds</b>	<b>(8,231)</b>	<b>8,231</b>	-
<b>Net movement in funds</b>	<b>21,030</b>	-	21,030
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>102,208</b>	-	102,208
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>123,238</b>	-	123,238

12. 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	48,270	87,163
Expenditure/remitted to FHUK partners	53,270	87.163

Notes to the Financial Statements - continued  
for the year ended 31 December 2016

13. TANGIBLE FIXED ASSETS

	Computer equipment £
<b>COST</b>	
At 1 January 2016	185
Additions	840
At 31 December 2016	<u>1,025</u>
<b>DEPRECIATION</b>	
At 1 January 2016	179
Charge for year	254
At 31 December 2016	<u>433</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>592</u>
At 31 December 2015	<u>6</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Gift aid	12,312	6,699
Prepayments and accrued income	1,614	-
	<u>13,926</u>	<u>6,699</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Food for the Hungry Association	266,874	290,468
Social security and other taxes	669	-
Accruals	2,202	2,202
	<u>269,745</u>	<u>292,670</u>

16. MOVEMENT IN FUNDS

	At 1.1.16 £	Net movement in funds £	Transfers between funds £	At 31.12.16 £
<b>Unrestricted funds</b>				
General fund	123,238	23,210	(10,209)	136,239
<b>Restricted funds</b>				
FH projects	-	(10,209)	10,209	-
<b>TOTAL FUNDS</b>	<u>123,238</u>	<u>13,001</u>	<u>-</u>	<u>136,239</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2016

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	70,384	(47,174)	23,210
<b>Restricted funds</b>			
FH projects	527,604	(537,813)	(10,209)
Seconded international staff	32,647	(32,647)	-
	<u>560,251</u>	<u>(570,460)</u>	<u>(10,209)</u>
<b>TOTAL FUNDS</b>	<u><u>630,635</u></u>	<u><u>(617,634)</u></u>	<u><u>13,001</u></u>

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2016.

**Food For The Hungry UK****Detailed Statement of Financial Activities  
for the year ended 31 December 2016**

	2016 £	2015 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	330,908	344,569
Grants	297,990	422,583
	<u>628,898</u>	<u>767,152</u>
<b>Investment income</b>		
Interest	1,737	1,164
	<u>630,635</u>	<u>768,316</u>
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Wages	28,225	-
Fundraising and publicity	5,823	3,897
Fundraising consultancy	-	3,720
	<u>34,048</u>	<u>7,617</u>
<b>Charitable activities</b>		
Travel and motor expenses	2,312	6,326
Meeting expenses	362	(2,846)
Bank charges	1,666	1,302
Grants to institutions	537,813	705,421
Grants to individuals	32,647	18,966
	<u>574,800</u>	<u>729,169</u>
<b>Support costs</b>		
<b>Management</b>		
Employer's liability insurance	1,025	966
Telephone, postage, printing and stationery	4,714	7,740
Subscriptions	1,557	-
Recruitment costs	-	556
Computer equipment	254	2
	<u>7,550</u>	<u>9,264</u>
<b>Governance costs</b>		
Accountancy fees	1,236	1,236
	<u>617,634</u>	<u>747,286</u>
	<u>13,001</u>	<u>21,030</u>

This page does not form part of the statutory financial statements