

Charity registration number 328273

Company registration number 02394988 (England and Wales)

FOOD FOR THE HUNGRY UK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

FOOD FOR THE HUNGRY UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr S P Herbert Mr M Josten Mr M A Viso Mrs R Kayombo Mr Peter Mawditt	(Appointed 20 April 2023)
Secretary	Mr M Josten	
Charity number	328273	
Company number	02394988	
Registered office	15 Palace Street NORWICH Norfolk United Kingdom NR3 1RT	
Independent examiner	Argents Accountants Limited 15 Palace Street NORWICH Norfolk United Kingdom NR3 1RT	

FOOD FOR THE HUNGRY UK

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FOOD FOR THE HUNGRY UK

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also directors of the charity present their report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Deed of Trust, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

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

Objectives and activities

Food for the Hungry (FH-UK) is a Christian organisation committed to working with poor people to overcome hunger and poverty. It does so as part of a family of autonomous national Food for the Hungry organisations, called the Food for the Hungry Association (FHA). These collaborate and channel their support through a single international implementation arm to Field Offices in over 19 of the world's poorest countries.

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

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

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

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

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

Main specific objectives for the year included

- Evaluating new routes to grow the income base that supports the charity, principally through grants from trusts & foundations and the Overseas Aid programmes of island dependencies
- Maintaining support for the Family and Community Transformation programme in Bangladesh
- Supporting existing Community Transformation projects in Buuri in Kenya, and Mwumba in Burundi
- Successful delivery of the projects funded by grants from Guernsey Overseas Aid Commission (GOAC) and the Faroe Islands
- Obtaining grants for specific FH field projects
- Raising money for overseas appeals
- Supporting the existing base of individual sponsors of a number of FH Child-Focussed Community Transformation projects in Africa, Latin America and Bangladesh

Public benefit

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

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

FOOD FOR THE HUNGRY UK

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Staff and Volunteers

The charity has one part-time employee and a contractor who assist in the securing of grants from trusts and governmental sources. The roles carried out in 2022 by our staff, volunteers and contractor and the approximate percentage of a full-time position these represent are as follows:

1. CEO/Programme Manager 100%
2. Trust and Foundation Fundraiser 50%
3. Trust and Foundation Fundraiser 50%
4. Project Manager 40%
5. Book-keeper 30%
6. Child Sponsorship communicator 60%

Strategic report

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

Achievements and performance

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

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

Pillar 2 – Providing essential life-saving services wherever necessary

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

Pillar 4 – Early recovery.

Field activities and UK Government (UK Aid Direct) funding

FH was able to adapt its field programmes to mitigate the impact of COVID-19 and the related government-imposed restrictions. After the end of COVID-related restrictions on travel during 2022, field visits were resumed, with a visit to Burundi in August 2022.

UK Government funding was unavailable for the financial year 2022 for international development in general, which affected our ability to fund new projects.

Field Activities:

The long-term sponsorship of the Buuri Cluster of communities in Kenya continued to progress well during the year. It has been agreed to expand the scope of this project and plans have been put in place to provide the additional funding required.

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

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

FOOD FOR THE HUNGRY UK

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Overseas Staff:

Tom MacGregor continued his multi-year assignment in Rwanda. Tom established a marketing company called Azizi Life, selling a number of successful product lines to customers overseas, and is assisting in developing the local tourist industry. FH-UK secured donor support to fund an expansion of Azizi Life's facilities in Rwanda, which is expected to be completed during 2023. Costs for seconded international staff (SIS) are covered by designated income. This designated income covers their personal allowance plus a contribution to UK administration and in all cases is also sufficient to provide a fund for contingencies and home visit costs.

UK Staff

Mr Paul Cornelius stood down as CEO at the end of December 2021 and was succeeded by Mr Ian Johnson.

In addition, the charity benefits from the support of a number of part-time or full-time volunteers who are involved in the UK administration of Child Development Programmes, the organisation of team visits, applications for grants from Governments and Trusts and the day-to-day management of the Charity's finances. A consultant continued to be contracted during 2022, supported by a part-time employee, to help with applications to Trusts and Foundations and governmental sources of funding.

Fundraising activities:

Income fell substantially in 2022, to £451,697 from £936,515 in 2021. The fall primarily reflected the decision by the UK government to terminate grants to small and medium NGOs within Aid Direct, but also a lower success rate in grants from Trusts and Foundations.

During the year, the supporters who gave to the charity, either by standing order or direct debit, provided an average monthly contribution of £8,188 (excluding Gift Aid), compared to £8,730 (excluding Gift Aid) in 2021.

The income raised for major projects in 2022 was as set out below:

- £138,042 in respect of the Mwumba project in Burundi
- £42,000 in respect of the Rwanda Azizi Life project
- £67,586 in respect of the Buuri Cluster project
- £22,185 towards Lamwo Uganda Girls' Education
- £45,000 in respect of Bangladesh - GOAC

Financial review

At the year ended 31 December 2022 the Charity's reserves stood at £114,168. This figure is considered consistent with meeting the objectives set out by the trustees above.

The results of the company for the year ended 31 December 2022 are set out in the attached financial statements drafted in accordance with the Companies Acts.

Reserve policy

Generally the trustees do not seek to hold large reserves. Historically the trustees have considered it prudent to retain sufficient reserves to enable the charity to operate for 1-2 years on regular but lower levels of income. In addition the trustees hold additional reserves to fund new income raising opportunities and to manage short-term fluctuations in the funding of individual projects. This policy was maintained in 2022 based on the Charity's current administrative cost base.

FOOD FOR THE HUNGRY UK

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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.

Risk management

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

Risk Management Policy:

A comprehensive review of risks is undertaken by the Finance and Risk Sub- Committee and documented in a Risk Register. This register also identifies key risks to be managed together with a Risk Mitigation Action plan. It was reviewed twice by the Board of Trustees during 2022.

Key risks that have been identified include:

- a) Board Membership. The Board will continue to look for the opportunity to recruit further trustees with appropriate skills and experience.
- b) Vulnerability to loss of key staff members. This has in part been addressed by agreeing the process to be followed to put in place a successor to the current CEO and by expanding the number of volunteers in key areas.

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

FOOD FOR THE HUNGRY UK

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods

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

- Maintaining support for community development programmes in designated locations
- Maintaining the individual donor support base for the community development work in Bangladesh and seeking additional funding from appropriate grant-giving organisations in the UK
- Maintaining and expanding the ongoing financial support for our designated Community Partnerships through to the successful graduation of each individual community at the end of their project. Currently we have partnerships of this type with the Mwumba cluster of communities in Burundi and the Buuri cluster of communities in Kenya.
- Continuing to explore strategic partnerships with other third sector organisations whose aims and activities are consistent with FH-UK's vision and values
- Securing grants from governmental sources (FCDO, if programme resumed, GOAC, JOAC and Faroe Islands) to fund projects which deliver significant improvements to communities in FH-UK's target countries.

For 2023 the key areas of focus will be:

- Develop a new strategy for FH-UK which will be compatible with the organisation-wide strategy review being carried out by FHA. The FHA strategy review is underway and is due to be completed in the first half of 2023.
- Maintaining and developing our relationship with GOAC, Faroe Islands and establishing a relationship with JOAC
- Being ready to apply for further grants if applications for new programmes are invited by the FCDO.
- Identifying and securing new sources of project funding
- Supporting and expanding the scope of the programme with communities in the region of Mwumba in Burundi and the Buuri cluster of communities in Kenya.

Structure, governance and management

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

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

Mr S P Herbert	
Mr S Canham	(Resigned 31 May 2022)
Mr M Josten	
Mr M A Viso	
Mrs R Kayombo	
Mr Peter Mawditt	(Appointed 20 April 2023)

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

FOOD FOR THE HUNGRY UK

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 four 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 team visits to the Field, organisational development, planning and management.

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

In 2022, there was one part-time salaried employee whose role is to make grant applications on behalf of the Charity. Mr Ian Johnson (Chief Executive) and a number of part-time or full-time volunteers provide support to FH-UK on an unpaid basis.

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

Wider network: links with Food for the Hungry Association (FHA)

FHA, a not-for-profit association incorporated in Geneva, Switzerland, maintains programmes in over 19 of the world's poorest countries, with international field staff numbering about 3000, mostly locally employed. FH-UK, together with FHA and each of the other nationally-based organisations, has chosen to affiliate with 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 commitment to working with poor people to overcome both physical and spiritual hunger and poverty worldwide. The primary emphasis is on long-term development among the extremely poor, recognising their dignity, creativity and ability to solve their own problems.

In 2022, Mark Viso served on the Board of FH-UK. Mark is the President and CEO of FHA. In June 2022, Rudo Kayombo joined the Board of FH-UK. Rudo was the Chief Operating Officer of FHA until the end of 2022. Upon relinquishing that post, she agreed to continue as a Trustee of FH-UK.

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

Mr M Josten
Trustee

3 May 2023

FOOD FOR THE HUNGRY UK

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FOOD FOR THE HUNGRY UK

I report to the trustees on my examination of the financial statements of Food For The Hungry UK (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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



Mark Johnstone FCA

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

Dated: 9 May 2023

FOOD FOR THE HUNGRY UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
	Notes					
Income from:						
Donations and legacies	3	49,696	392,198	441,894	38,628	934,917
Charitable activities	4	9,000	-	9,000	1,500	1,500
Investments	5	803	-	803	98	98
Total income		<u>59,499</u>	<u>392,198</u>	<u>451,697</u>	<u>40,226</u>	<u>936,515</u>
Expenditure on:						
Raising funds	6	40,647	-	40,647	-	32,383
Charitable activities	7	7,799	393,893	401,692	3,383	934,697
Total expenditure		<u>48,446</u>	<u>393,893</u>	<u>442,339</u>	<u>931,314</u>	<u>967,080</u>
Net incoming/(outgoing) resources before transfers		11,053	(1,695)	9,358	4,460	(30,565)
Gross transfers between funds		(1,695)	1,695	-	(35,025)	35,025
Net income/(expenditure) for the year/ Net movement in funds		<u>9,358</u>	<u>-</u>	<u>9,358</u>	<u>(30,565)</u>	<u>(30,565)</u>
Fund balances at 1 January 2022		104,810	-	104,810	-	135,375
Fund balances at 31 December 2022		<u><u>114,168</u></u>	<u><u>-</u></u>	<u><u>114,168</u></u>	<u><u>-</u></u>	<u><u>104,810</u></u>

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

All income and expenditure derive from continuing activities.

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

FOOD FOR THE HUNGRY UK

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		71		101
Current assets					
Debtors	14	4,987		9,945	
Cash at bank and in hand		652,371		548,179	
		<u>657,358</u>		<u>558,124</u>	
Creditors: amounts falling due within one year	15	<u>(543,261)</u>		<u>(453,415)</u>	
Net current assets			114,097		104,709
Total assets less current liabilities			<u>114,168</u>		<u>104,810</u>
Income funds					
Unrestricted funds			114,168		104,810
			<u>114,168</u>		<u>104,810</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the Trustees on 3 May 2023

Mr S P Herbert
Trustee

Company registration number 02394988

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

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

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Income

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

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

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

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

Charitable expenditure comprises grants made to fund the overseas work of FH as well as the costs incurred by the charity in making the grants, recruiting and sending appropriate people to assist where needed and informing people in the UK about the causes of physical and spiritual hunger and poverty, and about appropriate Christian responses.

1.6 Tangible fixed assets

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

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

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

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

1.11 Employee benefits

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

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

1.12 Foreign exchange

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds general	Total	Unrestricted funds	Restricted funds general	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	49,696	211,480	261,176	38,628	365,312	403,940
Legacies receivable	-	-	-	-	23,474	23,474
Project Support Grants	-	180,718	180,718	-	507,503	507,503
	<u>49,696</u>	<u>392,198</u>	<u>441,894</u>	<u>38,628</u>	<u>896,289</u>	<u>934,917</u>

4 Charitable activities

	Core activities 2022 £	Core activities 2021 £
Other income	9,000	1,500
	<u>9,000</u>	<u>1,500</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	803	98
	<u>803</u>	<u>98</u>

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Fundraising consultancy	14,500	8,500
Advertising	500	895
Staff costs	17,956	13,181
Support costs	7,691	9,807
	<u>40,647</u>	<u>32,383</u>
Fundraising and publicity	<u>40,647</u>	<u>32,383</u>
	<u><u>40,647</u></u>	<u><u>32,383</u></u>

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

	FH	SIS	Visits	Total	FH	SIS	Visits	Total
	2022	2022	2022	2022	2021	2021	2021	2021
	£	£	£	£	£	£	£	£
Travel and motor expenses	-	-	4,685	4,685	-	-	200	200
Meeting expenses	-	-	298	298	-	-	50	50
Team costs	9,785	-	-	9,785	-	-	-	-
Bank charges	1,900	-	-	1,900	2,051	-	-	2,051
	<u>11,685</u>	<u>-</u>	<u>4,983</u>	<u>16,668</u>	<u>2,051</u>	<u>-</u>	<u>250</u>	<u>2,301</u>
Grant funding of activities (see note 9)	377,952	6,156	-	384,108	909,819	21,495	-	931,314
Share of support costs (see note 10)	-	916	-	916	-	1,082	-	1,082
	<u>389,637</u>	<u>7,072</u>	<u>4,983</u>	<u>401,692</u>	<u>911,870</u>	<u>22,577</u>	<u>250</u>	<u>934,697</u>
Analysis by fund								
Unrestricted funds	1,900	916	4,983	7,799	2,051	1,082	250	3,383
Restricted funds - general	387,737	6,156	-	393,893	909,819	21,495	-	931,314
	<u>389,637</u>	<u>7,072</u>	<u>4,983</u>	<u>401,692</u>	<u>911,870</u>	<u>22,577</u>	<u>250</u>	<u>934,697</u>

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 Description of charitable activities

FH

Grant making to Food For The Hungry projects

SIS

Seconded International staff and team support

Visits

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

9 Grants payable

	FH 2022 £	SIS 2022 £	Total 2022 £	FH 2021 £	SIS 2021 £	Total 2021 £
Grants to institutions:						
Prog. Support - Bangladesh GOAC	45,000	-	45,000	47,500	-	47,500
Prog. Support - Bangladesh Fishing Project Faroe Islands	-	-	-	65,025	-	65,025
Prog. Support - Ethiopia	-	-	-	2,500	-	2,500
Prog. Support - Kenya	62,308	-	62,308	227,903	-	227,903
Prog. Support - Rwanda	-	-	-	56,099	-	56,099
Prog. Support - Uganda	-	-	-	108,697	-	108,697
Catalogue Gifts	412	-	412	870	-	870
Emergency Relief	12,528	-	12,528	5,715	-	5,715
Girls Education Uganda	22,185	-	22,185	-	-	-
Community Partnership - Buuri, Kenya	5,278	-	5,278	67,852	-	67,852
Child Focussed Community Transformation Bangladesh	19,345	-	19,345	17,230	-	17,230
Community Partnership - Mwumba, Burundi	138,043	-	138,043	277,504	-	277,504
Other Child Sponsorship - various	30,448	-	30,448	31,051	-	31,051
Rwanda Azizi Life	42,000	-	42,000	1,313	-	1,313
Mustard Seed Shared	405	-	405	560	-	560
Other	-	-	-	-	-	-
	<u>377,952</u>	<u>-</u>	<u>377,952</u>	<u>909,819</u>	<u>-</u>	<u>909,819</u>
Grants to individuals	-	6,156	6,156	-	21,495	21,495
	<u>377,952</u>	<u>6,156</u>	<u>384,108</u>	<u>909,819</u>	<u>21,495</u>	<u>931,314</u>

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FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021	Basis of allocation
	£	£	£	£	£	£	
Depreciation	30	-	30	42	-	42	Usage of computers and equipment
Employer's liability insurance	1,691	-	1,691	1,979	-	1,979	Staff time
Phone, print, post & stationery	3,569	-	3,569	5,016	-	5,016	Usage
Sundries	1,397	-	1,397	1,452	-	1,452	Relevance to activity
Accountancy	-	1,920	1,920	-	2,400	2,400	Relevance to activity
	<u>6,687</u>	<u>1,920</u>	<u>8,607</u>	<u>8,489</u>	<u>2,400</u>	<u>10,889</u>	
Analysed between							
Fundraising	5,771	1,920	7,691	7,407	2,400	9,807	
Charitable activities	916	-	916	1,082	-	1,082	
	<u>6,687</u>	<u>1,920</u>	<u>8,607</u>	<u>8,489</u>	<u>2,400</u>	<u>10,889</u>	

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

11 Trustees

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

During 2022 donations made by Trustees to the Charity totalled £13,180 in aggregate.

12 Employees

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

	2022	2021
	Number	Number
Employees	1	1
	<u> </u>	<u> </u>
	2022	2021
	£	£
Wages and salaries	17,956	13,181
	<u> </u>	<u> </u>

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

13 Tangible fixed assets

	Computers
	£
Cost	
At 1 January 2022	1,025
	<u> </u>
At 31 December 2022	1,025
	<u> </u>
Depreciation and impairment	
At 1 January 2022	924
Depreciation charged in the year	30
	<u> </u>
At 31 December 2022	954
	<u> </u>
Carrying amount	
At 31 December 2022	71
	<u> </u>
At 31 December 2021	101
	<u> </u>

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

14 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	3,018	8,254
Prepayments and accrued income	1,969	1,691
	<u>4,987</u>	<u>9,945</u>

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other creditors	535,341	451,495
Accruals and deferred income	7,920	1,920
	<u>543,261</u>	<u>453,415</u>

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Restricted funds

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

	Movement in funds				Movement in funds				Balance at 31 December 2022
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
FH Projects	-	479,284	(514,309)	35,025	-	343,637	(345,332)	1,695	-
Seconded International Staff	-	21,650	(21,650)	-	-	6,156	(6,156)	-	-
Mustard Seed Shared	-	405	(405)	-	-	405	(405)	-	-
Rwanda Azizi Life	-	1,313	(1,313)	-	-	42,000	(42,000)	-	-
	<u>-</u>	<u>502,652</u>	<u>(537,677)</u>	<u>35,025</u>	<u>-</u>	<u>392,198</u>	<u>(393,893)</u>	<u>1,695</u>	<u>-</u>

As shown above restricted fund balances as at 31 December 2022 are £nil.

Of the £652,371 held in the bank at the year end £535,341 was in respect of restricted funds, being amounts owed, pledged or promised and included within restricted fund other creditors as at 31 December totalling the same amount and split as follows:

	2022 £
Food for the Hungry Association	514,770
Seconded International Staff	-
Mustard Seeds Shared	20,571
Rwanda Azizi Life	-
	<u>535,341</u>

As a result Net Assets held in the balance sheet in relation to restricted funds as at 31 December 2022 totalled £nil.

FOOD FOR THE HUNGRY UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

17 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).