



Humentum UK

Trustees' Report and Accounts

For the year ended 30 September 2019

Company No.:	3986178
Charity No.:	1081406

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Report of the trustees for the year ended 30 September 2019

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 30 September 2019 which are also prepared to meet the requirements for a directors' report and accounts for the Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015), in addition to the Charities (Protection and Social Investment) Act 2016.

Humentum UK, formerly known as Mango, is a UK-registered charity, regulated by the Charity Commission for England and Wales. Humentum UK, signed an Affiliation agreement with InsideNGO, a not-for-profit organisation registered in Washington DC, USA. The affiliation appointed Humentum, formerly InsideNGO, as the sole member of Humentum UK.

Chair's Report

Both Humentum and Humentum UK have an important, arguably unique role in the sector through social change not with front line work, but by working individuals and organisations to build capacity in essential operational capabilities and systems. When well executed, these have the potential to increase impact and strengthen institutional trust, but where organisations are deemed to have systems that have failed, trust, revenue and impact have declined. Our shared work on Compliance and Risk, Financial Management, Programme Management, and HR & Learning helps organisations safeguard funding and resources, their overall impact, and their people.

In taking over as chair this year from Toby Porter, I am very aware of the challenges facing both the aid and the wider charity sector in the current climate.

As we look ahead, we can see that the structure of I/NGOs, their approach to development and the essence of partnerships in the sector will change. Like-minded organizations are likely to form alliances or even merge to ensure survival, both in terms of finance and relevance. There are tensions pulling the sector in multiple directions. Who does what from where is changing as donors increasingly seek to reach people more directly with local actors. The decline in funding from traditional donors and the increased number and diversity of actors involved in aid will drive competition for resources and access, necessitating the use of more creative and innovative approaches. The growing influence of private actors, who typically focus on activities with high returns on investments, and the push for value for money from donors will continue to pressure INGOs to operate more like profit-driven businesses – prioritizing efficiency and targets over more people led participatory approaches which put beneficiaries at the heart of development.

Against this backdrop the promise of Humentum is to reach more organisations globally, especially national NGOs, and to deepen and expand the impact we can have on their capability to deliver change for the communities they serve. And Humentum UK's commitment to strengthen excellence particularly in financial management continues.

We are thrilled to report that a long-term advocacy campaign reached a key milestone in 2019. Nearly a decade after publishing an article entitled Stand up for Standards, we have secured support for a five-year project coordinated by Humentum UK and The Chartered Institute of Public

Finance and Accountancy (CIPFA) to develop the first ever international financial reporting guidance for non-profit organisations. The International Financial Reporting for Non-Profit Organisations (IFR4NPO) initiative was launched in July 2019, with initial backing from the Foundation to Promote an Open Society. The Ford Foundation has committed funding for 2020 and further fundraising is underway. The launch of the initiative was at the Humentum Conference in Washington DC in July 2019.

IFR4NPO aims to bring clarity and consistency to the Not-Profit Organisations (NPO) sector which must win the trust of its many national and international stakeholders through consistent, high quality financial reporting. The initiative also endeavours to reduce the current burden and duplication of effort for both non-profit organisations and funders in meeting multiple and, at times, conflicting financial reporting requirements.

Over the year, with the economic uncertainty, we saw a decline in the attendances at our face to face training. However, we continue to see increases in take up of online training and we are working to ensure all our programmes are attractive, accessible and affordable. To that end we are pleased we've been able to continue the Help for Fees support, due to the generous donations of Deb Appleby and the ICAEW Foundation. We continue with efforts to run the trainings as economically as possible, co-ordinating locations and using local trainers which all helps, in a modest way, in the struggle against climate change.

We saw an increase in our consulting services requested by organisations, particularly foundations, to support local non-governmental organisations (NGO) to build capacity to gain funding locally to impact local issues.

As I write the COVID-19 pandemic is engulfing all normal activity. It is too early to know the impacts of this situation for the world's most vulnerable people, the development sector or Humentum, but as a fully remote working organisation with a robust online learning offering Humentum UK is well positioned to adjust quickly. And our role as a voice of the sector to DFID and other policy makers will be vital to ensure the sector's response to the crisis is as effective for the sustainability of the sector and the people we serve.

In closing, I would like to share my gratitude to our sponsors, the staff and the I/NGOs who continue to work with us. To know more about Humentum, visit our website at www.humentum.org



Helen McEachern

Chair

Our purposes and activities

The mission of the charity is:

- To inspire and strengthen operational excellence in humanitarian and development work.

Humentum and Humentum UK share a strategic plan to deliver on the mission, supporting operational excellence through training, consulting, convening and insights & influence. Operational excellence, in Humentum's view, includes four core capabilities which need to be integrated if organisations are going to be trusted for impact: Financial Management, Compliance & Risk, Programme Management and Human Resources and Learning.

Humentum UK's mission fits within the objects set out in its' Memorandum and Articles of Association:

- To promote the efficiency and effectiveness of charities and the work of other voluntary organisations which are exclusively charitable, in particular (but without restricting the generality of the foregoing) in assisting non-governmental organisations with their charitable work in the relief of poverty.

Humentum UK's aim is to deliver financial management capabilities at the point of highest impact, which is more often with local teams, offices and organisations. We will support these capabilities, not just with all Humentum's staff, but with an expanding network of local providers and partners.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

In shaping the objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance Public Benefit: running a charity (PB2). The charity relies on income from fees and charges to cover its operating costs. The trustees ensure that this purpose is carried out for the public benefit by delivering services that are valued by development and humanitarian NGOs because they enable these NGOs to strengthen their financial management, accountability and effectiveness.

Affordability and accessibility to our programme is important to us. Humentum UK makes financial management relevant and accessible to NGO staff and builds their skills and confidence. NGOs from around the world can access Humentum UK's services via Humentum's website and through Humentum's growing international and social media-based networks. Humentum UK encourages the smallest local NGOs with limited funds to access free resources through its website or to apply for bursaries for Humentum UK's fee-based services. Humentum UK seeks regular feedback on the quality of our work and the benefits that it creates for NGOs and their beneficiaries.

Humentum UK encourages NGOs to use strong financial management to both improve and prove their integrity and accountability. Humentum UK's initiatives in the fields of anti-bribery, value for money and transparency also have wider public benefits and contribute to sustaining public confidence and trust in the NGO sector.

We endeavour to encourage all NGOs and individuals within our community to take part in our trainings and other events. We create strong relationships in our evolving network, knowing that the larger and more connected our global community becomes, the more valuable it is for those who are a part of it. We are moving our traditional delivery role to include and empower other local providers and partners. We believe that all these approaches will contribute to more

equitable sharing of resources, insights and capacity among international, national, and local organisations.

In the year to 30 September 2019, we worked towards Humentum UK's mission, pursuing the strategic goals of Humentum. There were three overarching objectives set for Humentum UK:

1. Continue with Humentum UK's long-term mission of strengthening financial management and the financial security of the sector;
2. Expand on the mission to reach more people, through technology;
3. Continue to make progress on the historic change agenda around funding rules, fair cost recovery and global standards.

The strategies employed to achieve the charity's aims and objectives are to:

- offer consultancy services to organisations to help them improve their financial management of funds received;
- provide training courses in financial management both online and face to face in key locations around the globe where the need is highest, and tailored to the community as required;
- bring together individuals to facilitate the sharing of knowledge and make that knowledge accessible to all;
- advocate on behalf of the sector to harmonise both the needs of the funders and the recipients to achieve impact both efficiently and effectively.

Putting these strategies into action Humentum UK has four major areas of activity which are: consulting, training, convening and insights and influencing. Our activities described below focus on bringing operational excellence to the community.

Consultancy

Through a global team of 40+ associate consultants, we deliver tailored management advice and support to our clients to strengthen their operations and organisational performance. Our Capacity Development programme uses local teams to combine our training and consultancy expertise to cultivate organisational effectiveness and resilience for partners in financial management.

Training

We provide accessible learning solutions for those creating social impact by building a nurturing, supportive and fun learning community where peers collaborate, share and network. We create and provide products that deliver long-term impact to organisations and we offer continued support, guidance and certification for an extended learning journey. Our learning is timely addressing the challenges most relevant to our learners. Always, we will listen to the wider community to inform and improve our offerings.

In 2019, we enhanced our offering to be more valuable and accessible for financial management leaders, practitioners and teams, by investing in new financial management products, including FMD Pro Flex, an online offering based upon our Financial Management D-Pro standard, a globally recognised certification.

Our flexible in-house training and organisational learning services put organisation's learning needs at the centre, offering flexibility in terms of location, timing, course content and delivery methods.

Convening

Humentum UK conducts quarterly finance directors' seminars in the UK and an annual Treasurers' Roundtable in Europe all focused around key leaders and their financial management needs, issues and priorities. We also continue to support the Charity Finance Group's special interest group for international charities by providing the Chair of the steering committee and in planning and facilitating these meetings.

Insights and influence

Humentum UK convenes finance professionals working at various levels within international non-governmental organisations working in humanitarian and development assistance. This enables us to understand their context and identify key financial management and operational challenges affecting their ability to be efficient and effective. Participants often find practical solutions to their organisation's challenges from their peers, and we curate such solutions and disseminate them broadly within the sector.

Some of these operational challenges have causes which cannot be addressed entirely at the organisational level and require systemic solutions. We research these systemic operational challenges, develop solutions and win support for them at a global and system-wide level. An example of one such challenge is the Overhead Myth which contributes to systemic underfunding of grantees by donors in relation to their core operational capabilities, like finance and human resources. This starvation cycles reduces organisational effectiveness and often prevents solutions to societal problems reaching scale. Humentum has built an evidence-base about donor and grantee practices in cost recovery and their problems, which enabled us to win support to co-create new solutions to these with donors, like DFID, so that they change their practices and now provide fairer cost recovery.

Achievements and Performance

The achievements during 2018/19 are set out against each of the objectives.

Objective 1. *Continue with Humentum UK's long-term mission of strengthening financial management and the financial security of the sector*

Training

During 2018/19, Humentum UK conducted 32 open face-to-face courses on financial management in 15 different locations around the globe. Both the Financial Management D-Pro and Fraud courses were run 16 times in response to the sector's needs. There was a total of 398 attendees on the courses. Unfortunately, several courses were cancelled due to the low level of registration during the year. The economic situation, increased availability of online alternatives has impacted the income streams in this area.

In responding to organisations' needs, a total of 53 financial management workshops were run in-house, tailored to the client. These workshops reached 775 people in total.

Consultancy

A total of 43 assignments, 757 consultancy days, were completed during 2018/19. Key assignments included a review of knowledge management practices, an assessment on global organisational structure changes on the performance of a country program and improving financial benchmarking and forecasting.

Longer-term capacity development programs helped to improve financial capacity in local NGOs, to cultivate organisational effectiveness and resilience for partners in financial management. There were 12 assignments during 2018/19. One example is a financial management capacity development programme to support Malawian grantees/local partner organisations, which we are delivering with funding from Comic Relief. This is providing long term solutions to address capacity gaps in budgeting, financial reporting, procurement, fraud and governance.

The organisation spent £1,678k to achieve this activity.

Objective 2. *Expand on the mission to reach more people, through technology*

Training

To reach more people in places and organisations that the open and in-house trainings cannot reach, the online offering continues to develop and expand. 15 courses were run online with the subject matter including fraud prevention, budget monitoring essentials and International Aid Transparency Initiative (IATI). 2019 saw the launch of the financial management D-Pro Flex in June. Flex courses allow larger training cohorts to access the online training over a 9 to 12-week period and can be offered at a substantially lower price than our face-to-face training.

The total people reached were 455 during 2018/19. The organisation spent £137k to achieve this activity.

Objective 3. *Continue to make progress on the historic change agenda around funding rules, fair cost recovery and global standards*

Convening

During the year, four finance director seminars were held. The topics included developments in partner due diligence, cost recovery and transparency and large-scale contracts and payment by results. A total of 78 people attended the seminars. In June 2019, a Treasury Roundtable for International NGOs was held in Bonn Germany, with 46 people in attendance. The event was sponsored by INTL FC Stone.

Fair cost recovery

Humentum reached a key milestone in our long-term advocacy campaign on fair cost recovery in 2019, when DFID rolled out its new policies and templates on Cost Transparency. Both InsideNGO and Mango have been advocating for full cost recovery for many years and Mango's Cost Benchmarking Study in 2015 proved influential in persuading DFID to change its approach. Humentum played a key role co-creating the new policies and templates as part of a working party with representatives of DFID, Bond and a diverse group of NGOs. It was notable that an article that was posted on Linked-in when this milestone was reached, received more than 14,000 Likes from many countries around the world.

Building on this success, Humentum was funded by the Norwegian Refugee Council to develop a new international protocol which aims to harmonise grant financial reporting and cost recovery approaches. This initiative, called Money Where It Counts, has received a positive reception from major donors. The aim will be to secure funding for a global pilot of the new protocol in 2020.

The organisation spent £57k on these activities in 2018/19.

Fundraising

The primary aim of Humentum UK's voluntary fundraising is to improve the access to Humentum's service for small local NGOs in developing countries. Humentum UK seeks funding from

organisations and individuals supportive to its mission. Humentum UK raises funds by a direct approach to relevant organisations, or to individuals through online social platforms such as JustGiving. Humentum UK did not use any professional fundraiser or any commercial participator in raising its funds. In carrying out its fund-raising activities, Humentum UK did not receive any complaints about its fundraising during 2018/19.

Training Bursary Fund

In the last year, we awarded two bursaries with a total value of £2k. These bursaries helped two individuals to participate in training courses in Africa and Asia.

We are very grateful for the long-term support of our largest donor, Deb Appleby, who has helped hundreds of participants from small local NGOs to develop their skills and confidence in financial management through Humentum's training. The ICAEW Foundation also continues to support our bursary programme.

Other fundraised income, sponsorship and donated support

We are grateful to INTL FC Stone, who supported the Treasury Event in Bonn, Germany in June 2019. We are grateful for the long-term partnership with the Charity Finance Group and our work together facilitating meetings of international charities and the support they provide towards the cost of this. We thank KPMG for hosting the finance director seminars and other networking events for finance staff.

Financial review

During the year there was a decline in those participating in financial management training over the prior year, which had a significant impact on Humentum's UK income for the year, however we were encouraged by an increase in income from consultancy and capacity development services, together with new sources of income from grant funding. Unfortunately, the new sources of funds in the year were not enough to offset the decline in training income and the charity moved from a surplus of £184k in 2018 to a deficit of £169k in 2019.

Total reserves, after the deficit are £157k as at 30 September 2019.

Income

For the year to 30 September 2019, the principal sources of funding of income were £961k from consultancy services and £695k from training income. This compares to £841k from consultancy services (+14%) and £995k for training income (-30%) for the prior year to 30 September 2018. Recruitment services generating £78k in the year to 30 September 2018 were closed mid-2018. Total income declined by £247k (-13%) for the year, being £1,703k. Fewer training courses were run during 2018/19 than the prior year as demand was lower.

Expenditure

Total expenditure for the year ending 30 September 2019 was £1,872k compared to £1,766k (+6%). The increase in expenditure was due to the change in allocation of costs from Humentum to Humentum UK. This change reflected the increase in support from the global Humentum entity to the UK charity.

Support costs were £436k for the year to 30 September 2019 compared to £282k (+55%) for the year to 30 September 2018, relating to the affiliation. The increase in costs was due to the

allocation of a share of the costs of the support services to Humentum UK, based on revenue. The allocation of expenses is to be reviewed during 2019/20. During 2018/19, Humentum UK closed its office in Oxford, with all staff now working remotely. The office lease ended in June 2019, and this will result in further cost savings in 2019/20.

Reserves policy and going concern

The reserves of Humentum UK are needed to bridge the gap between the spending and the receiving of income. The trustees approved a policy of maintaining general reserves in a range of between three months budgeted expenditure and the estimated financial risk related to Humentum UK's annual net income. Three months of budgeted expenditure for 2019/20 is £606k, excluding project-based costs. At 30 September 2019, unrestricted reserves were £141k (2018: £319k). The trustees acknowledge the reserves are below the three months policy and not in line with expectation but expect the operating plans in place for 2020 and in future years will return reserves to be in line with its policy, this includes the review of allocation of expenses from the affiliation in 2019/20.

During 2018/19, Humentum globally took action to downsize, responding to the decline in training income and Humentum UK has already received new grant funding from both the Foundation to Promote Open Society and the Austrian Development Agency, since the end of the year.

The trustees are aware that the lack of free reserves, together with the economic backdrop, considering Covid-19, will provide a challenging environment in the year to come. Prior to Covid-19, it was planned that both Humentum and Humentum UK would return to surpluses in 2019/20 following a restructuring. Humentum received support through the US Payroll Protection Program in the US which will maintain the reserves at 2018/19 levels prior to accumulating more reserves in future years.

Restricted funds, which are tied to specific purposes, were £16k as at 30 September 2019 (2018: £7k).

Plans for future periods

Over the next year, we will work to create organisational offers that integrate the full services of Humentum, including consulting, learning, peer communities and insight, to deliver solutions and new value that help transform the financial management capabilities of organisations.

The International Financial Reporting for Non-Profit Organisations (IFR4NPO) initiative was launched in July 2019, with initial backing from the Foundation to Promote an Open Society. The Ford Foundation has committed funding for 2020 and further fundraising is underway. The launch of the initiative was at the Humentum Conference in Washington DC in July 2019. The project is continuing in 2020, even though at a slower rate due to the Covid-19 impact. A website was launched in May 2020.

IFR4NPO aims to bring clarity and consistency to the Not-Profit Organisations (NPO) sector which must win the trust of its many national and international stakeholders through consistent, high quality financial reporting. The initiative also endeavours to reduce the current burden and duplication of effort for both NPO and funders in meeting multiple and, at times, conflicting financial reporting requirement.

The trustees will also review the way that income and expenditure is allocated to Humentum UK. A new methodology needs to be agreed that fairly reflects the development of the integrated offer and not just a contribution from the financial management capability based on the historic Mango speciality.

Looking ahead, we will continue to align our work and resources to deliver value in this time of challenge and change for our sector. Our mission could not be more important nor more relevant: operational excellence sustains organisational impact, supports organisational resilience, and enhances external trust. The strategy of working with and supporting more organisations in the global south will continue.

The aims and objectives for 2019/20 are:

- to achieve a surplus of £100k+ to re-build reserves;
- to enhance the digital offer and reduce the dependency on face to face classroom learning
- to become the go-to network for any development actor seeking to solve operational challenges; and
- to lead the development of international standards in non-profit financial management

With Covid-19 the move to a digital offer has become a greater priority and existing face to face courses will be adapted faster to make the pivot to meet the sector demand for affordable and quality online training. We can continue to connect the sector co-creating solutions to operational problems and developing new, local and regional community hubs. We will enable more organizations with our consultancy expertise for financial sustainability and program agility and engage more donors with advocacy and capacity building solutions to drive change.

We have considered Covid-19 and its impact, determining that we can influence our income streams from training, consultancy and other stakeholders, by acting now. We determine there is no material uncertainty about the going concern of the organisation due to the ability to continue activity on the international standards project, the switch to digital and developing more online assessment tools for our consultancy work.

Reference and Administrative Details

Charity number: 1081406

Company number: 3986178

Registered Office: c/o Critchleys LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford, OX1 2EP

Our advisers:

Auditors: MHA MacIntyre Hudson, 6th Floor, 2 London Wall Place, London EC2Y 5AU

Bankers: CafCash Limited, Kings Hill, West Malling, Kent, ME19 4TA

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair: Toby Porter (resigned 29 October 2019)
Helen McEachern (appointed 30 October 2019)

Treasurer: Kim Schwartz

Trustee: Tami Ward-Dahl

Secretary: Jocelyn Boughton

Member

Humentum, a not-for profit organisation 501(c)(3) registered in Washington DC, USA

Senior management personnel (Humentum)

Chief Executive Officer:

Tom Dente (resigned 31 July 2019)

Chris Proulx (appointed 1 August 2019 to 17 November 2019 as interim)

Christine Sow (appointed 18 November 2019)

Senior management personnel (Humentum UK)

Global Director, Advocacy and Alliances: Tim Boyes-Watson

Global Director, Finance & Administration: Jocelyn Boughton

Structure, Governance and Management

Governing Document

Humentum UK, formerly known as Mango, is a UK-registered charity, regulated by the Charity Commission for England and Wales. It is constituted as a company limited by guarantee. The organisation is bound by its Memorandum and Articles of Association, copies of which are available on request. In July 2017, Humentum UK, signed an Affiliation agreement with InsideNGO, a not-for-profit organisation registered in Washington DC, USA. The affiliation appointed Humentum, formerly InsideNGO, as the sole member of Humentum UK. Humentum as sole member has the power to appoint and remove directors of the company and trustees of the charity.

Appointment of trustees

Humentum appointed the trustees listed above as part of the Affiliation agreement. Nominations for new trustees are considered by the Humentum Board and may subsequently be invited to join the Humentum UK board. The management team of Humentum UK holds executive responsibility for implementing the policies and strategies approved by the board.

Trustee induction and training

New trustees are provided with an induction to familiarise them with the charity and the non-governmental organisation sector and to brief them on their responsibilities as trustees under charity and company law. New trustees are referred to the Charity Commission's guide "How to be an effective trustee". Existing trustees are informed of any changes in their legal obligations under charity and company law, the Charity Commission Guidance on public benefit and inform them of the content of the Memorandum and Articles of Association, the decision-making processes, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate training events where these will facilitate the undertaking of their role. The trustees are invited to events to meet staff and other trustees when organised.

Organisation

The board of trustees, which can have up to four members, administers the charity. The board normally meets quarterly. Under the affiliation agreement, the Chief Executive Officer (CEO) of Humentum UK is the same as the CEO of Humentum. To facilitate effective operations the CEO has delegated authority, with terms of delegation approved by the trustees, for operational matters including finance, employment and other operational activity.

Related parties and co-operation with other organisations

None of the trustees receive remuneration or other benefit from their work with the charity. Trustees were reimbursed for expenses in attending board meetings. Humentum, as the sole member of Humentum UK receives cash on behalf of Humentum UK as remittances for its charitable activities, which is remitted monthly in arrears to the charity. Details of directors' expenses and related party transactions are disclosed in note 7 to the accounts.

Pay policy for senior staff

The directors consider the board of directors, who are Humentum UK's trustees, and the senior leadership team (SLT) comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely and no director received remuneration in the year.

The pay of the senior staff is reviewed annually. In view of the nature of the charity, salaries are benchmarked against pay levels in other NGOs of a similar size. The remuneration benchmark is the mid-point of the range paid for similar roles. All salaries are set by Humentum, with the Chief Executive Officer's salary set by the Humentum Board, rather than the Humentum UK Board.

Risk Management

The trustees have a risk management strategy which comprises:

- A regular review of the risk register to confirm the principal risks and uncertainties that Humentum and Humentum UK are facing
- The establishment of policies, systems and procedures to mitigate those risks
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise

The major risk identified for Humentum is its financial sustainability due to the lack of predictability of its income streams. Action was taken to downsize the organisation to reduce the cost base, in addition to restructuring to focus on obtaining more reliable income sources.

For Humentum UK, the trustees identified the risk associated of declining reserves and are to review with management both the income and cost allocation to Humentum UK from Humentum in order to rebuild the reserves in line with its reserve policy.

The changing compliance needs in the UK charity sector was also identified as a risk by the UK trustees. The need to ensure adequate mechanisms are in place for identifying, acting on and reporting on serious incidences to the Charity Commission was added to the risk register for appropriate mitigation, particularly around data breaches and/or safeguarding incidences.

Trustees' Responsibilities in relation to the financial statements

The trustees are responsible for preparing a trustees' annual report and 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. Under that law the trustees have elected to prepare the accounts in accordance with Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources for that period. In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the financial position of the charitable company and enable them to ensure that the accounts 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.

Statement as to disclosure to our auditors

In so far as the Trustees are aware,

- there is no relevant audit information, information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the trustees and signed on their behalf by:



Kim Schwartz

Treasurer

Date: 25th June 2020

Independent Auditor's Report to the members of Humentum UK

Opinion

We have audited the financial statements of Humentum UK (the 'charitable company') for the year ended 30 September 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and,

except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement of the Trustees' annual report, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

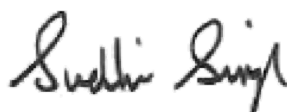
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Sudhir Singh FCA (Senior Statutory Auditor)

For and behalf of MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditors
2 London Wall Place
London
EC2Y 5AU

Date: 29 June 2020

Humentum UK
Statement of Financial Activities, including the income and expenditure account
for the year ended 30 September 2019

	<i>Note</i>	Unrestricted Funds	Restricted Funds	Total Funds 2019	Total Funds 2018
Income		£000's	£000's	£000's	£000's
Donations	11	29	16	45	36
Income from charitable activities	2	1,656	-	1,656	1,914
Other Income		2	-	2	-
Total Income		1,687	16	1,703	1,950
Expenditure					
Costs of raising funds	5	-	-	-	1
Expenditure on charitable activities	3	1,865	7	1,872	1,765
Total Expenditure		1,865	7	1,872	1,766
Net (expenditure)/ income and net movement in funds for the year		(178)	9	(169)	184
Reconciliation of funds					
Total funds brought forward		319	7	326	142
Total funds carried forward		141	16	157	326

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

The notes on pages 20 to 27 form part of these accounts.

Humentum UK
Balance Sheet as at 30 September 2019

		2019		2018	
	<i>Notes</i>	<u>£000's</u>	<u>£000's</u>	<u>£000's</u>	<u>£000's</u>
Fixed Assets	12				
Tangible assets			-		-
Intangible assets			14		-
Total Fixed Assets			14		-
Current Assets					
Debtors	13	364		516	
Cash at bank and in hand		45		226	
Total Current Assets		409		742	
Liabilities					
Creditors falling due within one year	14	(266)		(416)	
Net Current assets			143		326
Total assets less current liabilities			157		326
Net Assets			157		326
Represented by	17				
Unrestricted funds			141		319
Restricted funds			16		7
Total Funds			157		326

The notes on pages 20 to 27 form part of these accounts.

These accounts were approved and authorised for issue by the trustees on 25th June 2020 and signed on their behalf by:



Kim Schwartz, Treasurer.

Company number: 986178
Charity number: 1081406

Statement of Cash Flows
for the year ended 30 September 2019

	2019 £000's	2018 £000's
<i>Cash flows from operating activities</i>		
Net cash provided by operating activities (reconciliation below)	<u>(164)</u>	<u>(99)</u>
<i>Cash flows from investing activities</i>		
Purchases of intangible assets	(17)	-
Change in cash and cash equivalents in the reporting period	(164)	(99)
Cash and cash equivalents at the beginning of the reporting period	<u>226</u>	<u>325</u>
Cash and cash equivalents at the end of the reporting period	<u>45</u>	<u>226</u>
 <i>Reconciliation of net income to net cash flow from operating activities</i>		
Net income/(loss) for the reporting period	(169)	184
<i>Adjustments for:</i>		
Amortisation charged	3	2
Decrease / (Increase) in debtors	152	(312)
(Decrease) / Increase in creditors	<u>(150)</u>	<u>27</u>
	<u>(164)</u>	<u>(99)</u>

Humentum UK
Notes to the Accounts
for the year ended 30 September 2019

1. Accounting policies

a) Basis of preparation

Humentum UK is a charitable company registered with the Charity Commission (charity registered no. 1081406) in England and Wales. The address of the registered office and nature of the charity's operations and principle activities are detailed in the Trustees' Report. The financial statements have been prepared in accordance with 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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Companies Act 2006.

Humentum UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £'000.

b) Income

Income is recognised when the charity becomes legally entitled to the funds, any performance conditions attached to the item(s) of income have been met, it is reasonable certain of receipt and it can be measured. Where income is received in advance of its recognition, it is deferred and included in creditors. Where entitlement occurs before income is received the income is accrued and included in debtors. All training income is recognised in the month that the course commences. Consultancy income is recognised according to specific milestones agreed in the contract, or as work is completed if no milestones exist. Accrued income (WIP) is income which has been earned but not yet invoiced or received. Income is recorded in the accounting period in which it is earned. Therefore, accrued income is recognised in the accounting period in which it arises rather than in the subsequent period in which it will be received.

c) Donated services

Donated services (gifts in kind) are recorded at the market value that Humentum UK would normally pay for such services and gifts, when the risks or rewards of the service or item are transferred to Humentum UK. Donated services are recognised in the accounts when they are of material value to the charity.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally on notification of the interest paid or payable by the bank.

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for specific purposes. The aim and use of each restricted fund is set out in the notes to the accounts.

f) Expenditure and Irrecoverable VAT

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

Expenditure is allocated to the activity for which each specific cost was incurred. Expenditure is classified under the following activity headings:

- Cost of raising funds

- Expenditure on charitable activities includes the costs of providing training, consultancies and capacity development programmes, other activities undertaken to further the purposes of the charity and their associated support costs.

Humentum UK is partially exempt from VAT. Irrecoverable VAT is allocated within support costs. In the year ended 30 September 2019, Humentum UK incurred £11,210 (2018: £12,727) of irrecoverable VAT.

g) Foreign exchange gain/loss

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. All gains and losses are taken to the statement of financial activities as they arise. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. The year-end rate is based on the exchange rate in each currency as at 30 September. Humentum UK minimises the exposure of foreign exchange fluctuations by transacting in GBP, USD or other hard currencies. Wherever possible, expenditure is paid from a bank account of the same currency. Bank transfers between currencies are minimised.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, HR, payroll and governance costs which support the Humentum UK's objectives. In 2018/19, the shared support costs for Humentum and Humentum UK are allocated to Humentum UK based on the ratio of UK income to total income. Total support costs are allocated to each of the objectives, on the same proportion as the direct costs of that objective, as set out in note 3. In 2017/18, support costs related only to Humentum UK and some shared staff costs from Humentum.

i) Operating leases

Rentals payable under operating leases are charged to resources expended on a straight line basis over the lease term. Lease incentives are also spread over the lease term.

Humentum UK
Notes to the Accounts
for the year ended 30 September 2019

j) Tangible fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised at costs and are depreciated over their estimated useful economic life on a straight line basis. Office furniture is depreciated over five years and computers, projectors and software are depreciated over three years. Leasehold improvements are depreciated over the length of the lease. All assets are held for direct charitable purposes.

k) Intangible assets and amortisation

Intangible fixed assets are non-monetary fixed assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. Although such assets lack physical substance they provide an on-going economic benefit to the charity.

Humentum UK's intangible assets include the development of new courses. The development is capitalised at cost and is amortised over their economic life (three years) using the straight line method from the point the course is available.

l) Financial Instruments

The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

- Debtors: trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

- Cash at bank: is classified as a basic financial instrument and is measured at face value.

- Liabilities: trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in note 14.

Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

m) Pensions

The company operates a defined contribution pension scheme, the Humentum UK Group Personal Pension Scheme, the assets of which are held in external funds. Contributions of 5% of pensionable salary during the period are charge to the statement of financial activities as they become payable. All pension contributions are allocated to unrestricted funds.

n) Preparation of the accounts on a going concern basis

The accounts have been prepared on a going concern basis as the trustees believe that whilst some uncertainties exist relating to the business and operational environment in which the charity operates worldwide, these are not considered to be significant and in their opinion there are no material uncertainties identifiable for the foreseeable future, which is for a period of at least 12 months from the date of approval of their financial statements. In light of Covid-19, the trustees considered this post balance sheet event and concluded there was no material impact to the Charity's operations or year end balances that would require any adjustments to the accounts. Humentum UK continues to have the financial support of its sole member Humentum.

o) Significant accounting estimates and judgements

Humentum UK makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. There are no significant estimates and judgements disclosed in the current reporting period or the prior year.

2. Details of Charitable Income

Funds received for charitable activities, analysed by Humentum UK objective is as follows:

	2019 Unrestricted Funds £000's	2019 Restricted Funds £000's	2019 Total £000's	2018 Restated* Total £000's
Objective				
<i>Strengthening financial management and financial security of the sector</i>				
Training	584	-	584	867
Consultancy	961	-	961	841
Recruitment	-	-	-	78
<i>Mission to reach more people</i>				
Training	92	-	92	121
<i>Progress the change agenda around funding rules, fair cost recovery and global standards</i>				
Training	19	-	19	7
	1,656	-	1,656	1,914

*Charitable income for 2018 has been restated to show income received by charitable objective instead of charitable activity. Full comparatives are shown in Note 19.

Humentum UK
Notes to the Accounts
for the year ended 30 September 2019

3. Details of Charitable expenditure

The amount spent on charitable activities, including support costs analysed by Humentum UK objective is as follows:

Objective	2019 Direct costs £000's	2019 Support costs £000's	2019 Total £000's	2018 Restated* Total £000's
Strengthening financial management and the financial security of the sector	1,287	391	1,678	1,557
Mission to reach more people	105	32	137	100
Progress the change agenda around funding rules, fair cost recovery and global standards	44	13	57	108
	1,436	436	1,872	1,765
Fundraising costs	-	-	-	1
Total	1,436	436	1,872	1,766

**Charitable expenditure for 2018 has been restated to show expenditure made by charitable objective instead of charitable activity. Full comparatives are shown in Note 19.*

4. Analysis of support costs

	2019 £000's	2018 £000's
Administration	236	81
Finance	63	140
Governance (note 6)	44	31
HR	3	1
IT	43	4
Marketing	37	25
Programme Support	10	-
	436	282

5. Fundraising costs

	2019 £000's	2018 £000's
Support costs allocation	-	1
	-	1

6. Governance Costs

	2019 £000's	2018 £000's
Staff costs	18	24
Audit fees	19	5
Support costs	7	2
	44	31

Governance costs include all costs directly related to meeting the charity's statutory requirements, including staff time spent supporting the board of trustees.

Humentum UK
Notes to the Accounts
for the year ended 30 September 2019

7. Trustees' remuneration, related party and other transactions

The trustees received no remuneration or benefits during the year to 30 September 2019 (2018: nil). Reimbursed expenses in the year totalled £880 for travel to meetings for two trustees (2018: £273) (2018: one trustee).

During the year salaries and expenses of £158k (2018: £151k) relating to Humentum, the sole member of Humentum UK, were paid by Humentum UK. In addition, training fees of £471k (2018: nil) was collected by Humentum on behalf of Humentum UK and income of £15k (2018: £15k) was received by Humentum UK, for services provided by Humentum. At the year end, the amount owed to Humentum UK from Humentum was £42k (2018: £240k), which includes £2k for training fees collected by Humentum which were not paid to Humentum UK as at 30 September 2019.

8. Director and employees

The average number of staff during the year to 30 September 2019 including full time and part time employees was 15 (2018: 25). Employee emoluments were as follows:

	2019 £000's	2018 £000's
Staff salaries	657	644
Social Security costs	71	75
Pension Contributions	27	44
	<u>755</u>	<u>763</u>

Staff costs include remuneration paid to key management personnel, including employers' national insurance, was £218,800 (2018: £113,955).

The number of employees who received total employee benefits (excluding employers' pension costs) of more than £60,000 in the reporting period is as follows:

	2019 £000's	2018 £000's
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	-	-
£90,001 - £100,000	2	-
	<u>3</u>	<u>1</u>

9. Leasing Commitments

Total future lease payments under non-cancellable operating leases are as follows:

	2019 £000's	2018 £000's
Due:		
Within 1 year	-	20
Within 1 - 5 years	-	-

The total expense included within the Statement of Financial Activities is £41k (2018: £37k).

10. Taxation

The Charity is an exempt Charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 schedule 6 Finance Act 2010, and meets the definition of a charitable company for the UK corporation tax purposes. Therefore it does not suffer tax on income or gains applied for charitable purposes.

Humentum UK
Notes to the Accounts
for the year ended 30 September 2019

11. Donations

Unrestricted donations, sponsorship and associated support	2019	2018
<i>Received from:</i>	<i>£000's</i>	<i>£000's</i>
Donations from individuals	1	5
Corporate donations and sponsorship		
-INTL FC Stone	22	15
-Charity Finance Group	6	-
Total	29	20
Restricted income	2019	2018
<i>Received from:</i>	<i>£000's</i>	<i>£000's</i>
Bursaries funded by Deb Appleby	10	10
ICAEW Foundation	6	6
Total	16	16

INTL FC Stone and the Charity Finance group sponsor a series of treasury events and seminars for finance directors to enable senior staff of NGOs to learn about new developments in NGO finance, treasury and foreign exchange management and to share their experience.

Donations received from Deb Appleby and ICAEW Foundation have been received for several years to provide training bursaries.

12. Fixed Assets

	Intangible Assets		Tangible Assets			Total
	Software Development	Office Furniture	Computers and Projectors	Software	Leasehold Improvements	
Cost	£000's	£000's	£000's	£000's	£000's	£000's
As at 1 October 2018	-	5	10	42	20	77
Additions in year	17	-	-	-	-	-
Disposals	-	(5)	(6)	(42)	(20)	(73)
As at 30 September 2019	17	-	4	-	-	4
Depreciation						
As at 1 October 2018	-	5	10	42	20	77
Charge for year	3	-	-	-	-	-
Disposals	-	(5)	(6)	(42)	(20)	(73)
As at 30 September 2019	3	-	4	-	-	4
Net book value						
As at 30 September 2019	14	-	-	-	-	-

13. Debtors and Prepayments

	2019	2018
	£000's	£000's
Trade debtors	236	176
Accrued income	72	63
Prepayments	5	11
Amounts owed from Humentum US	42	240
Deposits	7	13
Employee advances	2	13
	364	516

Humentum UK
Notes to the Accounts
for the year ended 30 September 2019

14. Creditors: Amounts falling due within one year	2019	2018
	£000's	£000's
Trade creditors	41	128
Training fees received in advance	89	159
Consultancy fees received in advance	4	-
Accrued expenditure	84	63
Taxes and payroll liabilities	48	66
	266	416

15. Deferred Income	2019	2018
	£000's	£000's
As at 1 October 2018	159	165
Additions during the year	93	159
Amounts released to income	(159)	(165)
At 30 September 2019	93	159

Deferred income of £89,000 relates to training fees received for courses taking place in 2019/20. Deferred income of £4,000 relates to consultancy fees, received in advance, for assignments in 2019/20.

16. Capital and Company Information

The company is limited by guarantee, incorporated and domiciled in England and does not have a share capital. Humentum, the sole member, has given a guarantee to contribute a sum, not exceeding £1 to the company should it be wound up. Humentum is incorporated in the District of Colombia in the United States of America, Employer Identification Number : 52-1312495. A copy of Humentum's financial statements is available on request from: 1120 20th Street NW, Suite 520-S, Washington DC 20036.

Humentum's mission is to inspire and strengthen operational excellence in humanitarian and development work. Humentum is committed to strengthening operational excellence for the social sector by advancing the practice and profession of management and operations by connecting organizations, building a collaborative community, providing unique tools and resources, effecting change, and promoting personal and professional development as a foundation for organizational excellence.

Humentum assists members in building and leading teams who will become essential partners in accomplishing the missions of their organizations.

Humentum provides members with a collaborative forum in which to engage with one another as they share ideas, solutions to operational challenges, and best practices. Humentum helps identify emerging issues and trends in the sector that enable its members to stay on top of the latest developments in the field, build successful capacity within their own organizations, and make the necessary changes for the future success of the profession.

17. Statement of Funds	As at 1 October 2018 £000s	Total Income £000s	Total Expenditure £000s	As at 30 September 2019 £000s
<i>Unrestricted funds</i>				
General funds	319	1,687	(1,865)	141
<i>Restricted funds</i>				
Training bursaries	7	16	(2)	21
Grants and Contracts	-	-	(5)	(5)
Total funds	326	1,703	(1,872)	157

Name of restricted fund

Training bursaries

Purpose of fund

This fund allows staff from small local NGOs to attend our training courses in developing countries

Grants and Contracts

This fund is for the grant for IFR4NPO, an initiative to develop global financial reporting guidance for Non-Profit Organisations. The contract for this grant covers costs incurred for the period from 1 June 2019, however the contract was not signed until 7 October and the funds covering these costs were received on 18 October 2019.

Humentum UK
Notes to the Accounts
for the year ended 30 September 2019

	2019	2019	2019
18. Analysis of net assets by funds	Restricted	Unrestricted	Total
	Funds	Funds	Funds
	£000s	£000s	£000s
Intangible assets	-	14	14
Cash at bank and in hand	16	29	45
Other current assets	-	364	364
Current liabilities	-	(266)	(266)
Total	16	141	157

19. Restated Comparative statements for 2018

i) Details of Charitable Income (Note 2)

Funds received for charitable activities, analysed by Humentum UK objective is as follows:

	2018	2018	2018
	Unrestricted	Restricted	Total
	Funds	Funds	
Objective	£000's	£000's	£000's
<i>Strengthening financial management and financial security of the sector</i>			
Training	867	-	867
Consultancy	841	-	841
Recruitment	78	-	78
<i>Mission to reach more people</i>			
Training	121	-	121
<i>Progress the change agenda around funding rules, fair cost recovery and global standards</i>			
Training	7	-	7
	1,914	-	1,914

Charitable income for 2018 has been restated to show income by charitable objective instead of by charitable activity. The sponsorship received from INTL FC Stone has been reclassified as unrestricted sponsorship income from a restricted donation due to the nature of the income received and its purpose.

ii) Details of Charitable expenditure (Note 3)

The amount spent on charitable activities, including support costs analysed by Humentum UK objective is as follows:

	2018	2018	2018
	Direct	Support	Total
	costs	costs	
Objective	£000's	£000's	£000's
Strengthening financial management and the financial security of the sector	1,276	256	1,532
Mission to reach more people	101	24	125
Progress the change agenda around funding rules, fair cost recovery and global standards	106	2	108
	1,483	282	1,765
Fundraising costs	1	-	1
Total	1,484	282	1,766

Charitable expenditure for 2018 has been restated to show expenditure by charitable objective instead of by activity.

Humentum UK
Notes to the Accounts
for the year ended 30 September 2019

19. Restated Comparative statements for 2018 (continued)

iii) Statement of Funds (Note 17)	As at 1 October 2017 £000s	Total Income £000s	Total Expenditure £000s	As at 30 September 2018 £000s
<i>Unrestricted funds</i>				
General funds	117	1,934	(1,732)	319
<i>Restricted funds</i>				
Training bursaries	18	16	(27)	7
E- Learning	7	-	(7)	-
Total funds	142	1,950	(1,766)	326

Name of restricted fund

Training bursaries

E- Learning

Purpose of fund

This fund allows staff from small local NGOs to attend our training courses in developing countries.

This fund was to set-up on line learning courses and was fully utilised during 2018/19.

iv) Analysis of net assets by funds (Note 18)	2018 Restricted Funds £000s	2018 Unrestricted Funds £000s	2018 Total Funds £000s
Cash at bank and in hand	7	219	226
Other current assets	-	516	516
Current liabilities	-	(416)	(416)
Total	7	319	326