



Trustees' Report and Accounts

Humentum UK

For the year ended 30th September 2018

Company No.:	3986178
Charity No.:	1081406

Annual Report and Accounts

For the year ended 30th September 2018

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Message from our Chair, Toby Porter

In both the aid and the wider charity sector, this has been a year of great challenge and change, a reminder if any were needed that neither the public nor politicians and regulators are prepared to forgive charities if they fall short of the trustworthiness, standards and values on which the sector has been built.

Both Humentum and Humentum UK have an important, arguably unique role in the sector: we pursue social change not with front line work but by working with individuals and organisations to build capacity in essential operational capabilities and systems. When well executed, these strengthen institutional trust. As this year has proved, where organisations are deemed to have systems that have failed, trust and revenue 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.

I am proud of Humentum UK's commitment to strengthening excellence in Financial Management that dates to the founding of Mango more than 20 years ago. The practice of financial management continues to evolve in this age of technological advance and to meet the more complex opportunities and needs of the aid sector. As financial management practices evolve, we will continue to enhance our offering combining training, consultancy, convening and insights to bring the best practices from our community to those practitioners, leaders and organisations who can most benefit. 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.

Over this year, I am also pleased to see that our Humentum UK team and trustees have successfully begun to build up our reserves with a positive contribution this year. This year, we are reporting our 2018 results on an annual basis from the close of the last fiscal year at 30th September 2017 which reveal positive trends in income and operating contribution over the prior year. In addition, Humentum UK has grown our overall global reach during this year of post-merger transition as we begin to see the benefits of integration and the synergies that emerge across the wider group.

As Chair of Humentum UK, I am proud of our achievements as described in this annual report and challenge our trustees, operating team and community to work together to strengthen not only financial management, but to deepen and expand the underlying trust upon which every charity, and our overall sector, must inspire to be relevant and impactful.

Message from our CEO, Tom Dente

We are pleased to have completed our first year as Humentum and Humentum UK. Over the last year, we have successfully integrated key functions, developed our new

strategy, and transformed our organisation to better meet its responsibilities ahead. We do this recognizing that the development and humanitarian sector remains under pressure and that our mission to advance operational excellence to transform organizations and strengthen sector trust and performance is essential.

To advance our mission, Humentum is focused on supporting four core operational capabilities: Financial Management, Compliance, Programme Management and HR & Learning. We believe that achieving excellence in these core capabilities, on an integrated basis, ensures that organisations are not only fit for funding but also trusted to deliver the long-term impact expected by their constituents. Humentum UK with its depth of practice on financial management plays an essential role in our overall strategy.

Humentum UK achieved improved financial performance and impact over the last year. We are also pleased that this financial year begins to show the results of the efforts made following the merger to put Humentum UK in a stronger financial position. Following last year's deficit of £200k, Humentum UK in 2018 achieved a surplus of £184k, driven by a solid performance in providing financial management training to individuals and organisations together with an increased income from financial management consultancy.

Total income was £1,950k during this year and represents overall growth when normalised against the prior fifteen-month transition year, driven by increases in consultancy from capacity building for financial management services with several clients. Training was largely in line with expectations as we continue to focus on more accessible remote learning offers and client workshops to better reach individuals and organisations. Finally, during this year, we decided to end our separate financial management recruitment services which is also reflected in our results.

Overall, across Humentum's Financial Management capability area, we engaged over 2,600 individuals during the year with high reported measures of quality and with 73% of these services being used by organisations and individuals outside the UK and the US. We are pleased to continue to expand our reach and access in this way. We believe the ongoing ability to reach more individuals and organisations through the Humentum group will provide additional opportunities to expand Humentum UK's presence in financial management.

Looking ahead to 2019, we are excited to enhance our offering of services to be more valuable and accessible for Financial Management leaders, practitioners and teams. We plan to invest in new Financial Management products, including FMD Pro Flex, an online offering based upon our Financial Management D-Pro standard. In addition, we will conduct CFO Forums and Treasurers Roundtables in the UK and US to engage key leaders on financial management needs, issues, and priorities. Finally, we will continue to invest in financial management insights that benefit our global community including working with our INGO Impact Investing Network to assess this activity across INGOs and continue our advocacy work with DFID on more effective cost recovery approaches. 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.

Our aim as Humentum UK 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 our Humentum staff, but with an expanding network of local providers and partners. To do so in the upcoming years, we will need to 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 will also need to shift our traditional delivery role to include and empower other local providers and partners. Through learning, convening, and our online community Humentum Connect, we will facilitate the sharing of knowledge and collaboration that accelerates good practice and innovation, which can then be made accessible to all. We believe that all these approaches will contribute to more equitable sharing of resources, insights and capacity among international, national, and local organisations.

Looking ahead, we are excited 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. We are deeply committed to deliver upon the shared promise of Humentum UK and Humentum and we look forward to our work ahead with the guidance of our trustees and the support of our integrated global team.

Trustees' Report for the period ending 30th September 2018

A. Reference and Administrative Details

Charity name:	Humentum UK
Known as:	Humentum UK, formerly known as Mango
Charity registration no.:	1081406
Company registration no.:	3986178
Registered office:	c/o Critchleys LLP Beaver House 23-38 Hythe Bridge Street Oxford, OX1 2EP
Auditors:	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford, OX1 2EP
Bank:	CafCash Limited Kings Hill West Malling Kent, ME19 4TA
Trustees:	Toby Porter – Chair Kim Schwartz – Treasurer Helen McEachern Tami Ward-Dahl
Sole member:	Humentum, a not-for profit organisation 501(c)(3) registered in Washington DC, USA
Executive Team:	Tom Dente – Chief Executive Tim Boyes-Watson – Executive Director. Company Secretary (to 31 st December 2018) Jocelyn Boughton – Global Finance Director (from 1 st October 2018). Company Secretary (from 1 st January 2019)
Website:	Visit our websites for full details on our services: www.humentum.org

B. Structure, Governance and Management

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. As detailed in last year's Trustees' Report, 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.

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.

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 duties and guidance from Charity Commission during Board meetings and are provided with training if required.

Humentum UK's trustees established a Remuneration Committee to oversee the operation of Humentum UK's grading structure and periodic external benchmarking processes to confirm the competitiveness of salaries.

Humentum UK's grading structure incorporates bands for each level within the organisation as well as specifying criteria for awarding spine points within each band, based on changes to individual's responsibility. The Remuneration Committee directly approves changes in the remuneration for the Executive Director. The salary of the Chief Executive is set by Humentum in the United States.

Humentum UK's board identifies and discusses the key risks facing the charity regularly at Board meetings and reviews and approves a more formal risk register annually. The Chief Executive Officer and Executive Director review and discuss risk and progress on risk mitigation actions on a quarterly basis. The major risk in the year has and continues to be the reliability of Humentum UK's income streams.

C. Objects, Mission, Values and Key Objectives

Following the affiliation, Humentum UK's mission is the same as Humentum's which is "to inspire and strengthen operational excellence in humanitarian and development work". Humentum UK's operational excellence encompasses three other core

capabilities alongside financial management, which we believe need to be integrated if organisations are going to be trusted for impact: Compliance & Risk, Programme Management and Human Resources and Learning. During the year, Humentum and Humentum UK developed a shared strategic plan to deliver on the new mission, supporting operational excellence through learning, consulting, convening and insights & influence.

This broader mission continues to fit within the objects set out in our Memorandum and Articles of Association: "to promote the efficiency and effectiveness of charities and the work of other voluntary organisations which is 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 values apply throughout, in that,

- we nurture a sense of belonging and build everyone we work with
- we work as one team and one community
- we are open in all we do
- we take risks in response to a changing environment
- we keep our focus on making a positive difference
- we learn from those we work with

By following these values, we ensure that our activities have a lasting and concrete impact that contributes to achieving our mission in practice.

In developing Humentum UK's long-term and annual plans and when reviewing progress against these plans, the trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit. The trustees consider how these activities contribute to our mission.

In the year to 30 September 2018, we worked towards Humentum UK's mission, pursuing the strategic goals of Humentum. In 2017/18 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
3. Continue to make progress on the historic change agenda around funding rules, fair cost recovery and global standards.

D. Achievements and Performance

The following table describes key achievements considering the four capability areas delivered in line with the strategy and objectives for the year.

Key achievements in 2017/18
<p>Objective 1. Continue with Humentum UK's long-term mission of strengthening financial management and the financial security of the sector</p>
<p>514 organizations took part in financial management related workshops and convenings in 2017/18.</p> <p>Key highlights included:</p> <ul style="list-style-type: none"> • Humentum supported ADRA's first-ever Global Finance Summit in September 2018 with over 100 participants from 90 countries participating in training courses on fighting fraud, achieving full cost recovery and financial sustainability. • Humentum continued to support over 100 national civil society organisations through long-term capacity development projects in partnership with the British Council in Ethiopia and Sudan and with Christian Aid in Ghana and Sierra Leone.
<p>Objective 2. Expand on the mission to reach more people</p>
<p>Humentum continued to expand the access to our learning and tools by:</p> <ul style="list-style-type: none"> - Developing new e-workshops in assessing partners financial capacity and fighting fraud - Making courses available in new languages, e.g. the fighting fraud course is now available in Spanish. - Transferring the Mango Finance Guide and Tools to the Humentum website and adding new freely downloadable tools such a fraud policy template
<p>Objective 3. Continue to make progress on the historic change agenda around funding rules, fair cost recovery and global standards</p>
<p>Humentum's role as a technical adviser to the new pan-African Good Financial Grant Practice Standard drafting committee came to a successful end as the new standard was ratified by the African Research and Standards Organisation in July 2018.</p> <p>Humentum played a leading role in supporting the UK's Department for International Development (DFID) to design and implement a new approach to Cost Transparency, which represented a fundamental shift in their policy and methods for reimbursing a fair share of indirect costs.</p> <p>Humentum also advised five major US foundations on a project seeking to harmonise approaches to verifying indirect costs rates that they provide to their grantees called the True Cost Project.</p> <p>Humentum also supported Not-for-Profit Working Group of the International Forum of Accounting Standard Setters, (which involved 20 countries' accounting bodies), in its efforts to develop international guidance on not-for-profit accounting.</p>

E. Fundraising

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

Training Bursary Fund

In the last year we have awarded 30 bursaries with a total value of £27k. These bursaries have supported small local NGOs to send their staff to attend eight training courses.

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.

Other fundraised income, sponsorship and donated support

We are grateful to the ICAEW Foundation for their long-term support of Humentum UK, which is vital to our ability to offer access to free resources for NGOs which cannot afford to pay fees.

KPMG have generously hosted several network meetings for finance staff.

F. Financial review

After a period impacted by the investment of resources and time dedicated to the longer-term strategic affiliation with Humentum, this financial year begins to show the results of the efforts made following the merger to put Humentum UK in a stronger financial position.

An unrestricted surplus of £202k compares to the deficit of £181k for the prior year. This is driven by a solid performance in providing financial management training to individuals and organisations together with an increased income from financial management consultancy.

The deficit of £18k on restricted funds related to expenditure of funds on bursaries and the continued use of the grant provided by the Joffe Trust.

The overall surplus was £184k for the year ended 30th September 2018.

Income

Income from fees was £1,914k for the year to 30th September 2018 compared to £1,961k for the 15 months to 30th September 2017. The 15 months to 30th September 2017 contains the quarter July to September for two years, which is historically a slower quarter for fees generated, however if a simple monthly average basis is used income is up by 22%. The increase in consultancy fees is from capacity building on financial management services with several clients. Fee income from recruitment services declined primarily to a decision to not to offer this service in the UK, but to

offer instead the global job board of Humentum as a service to NGOs. The fee income from the job board is retained by Humentum US.

All fee income was paid to Humentum UK by NGOs, in pursuit of our primary purpose (helping NGOs strengthen their financial management). Fee income represents how Humentum UK achieves its mission and how it sustains itself financially.

We support smaller NGOs that are unable to afford our standard fees by providing some free capacity building services and by establishing a bursary fund to allow staff from small local NGOs to attend our training courses in developing countries.

Expenditure

Direct costs related to fee income decreased to 77% for the year to 30th September 2018 compared to 83% for the 15 months to 30th September 2017. This is in line with the 12-month period reported prior to the affiliation.

Support costs were £282k for the 12-month period to 30th September 2018 compared to £565k for the 15-month period to 30th September 2017. Last year it was identified that there were costs of £120k relating to the affiliation, hence the fall in costs particularly governance costs.

Reserves

At 30th September 2018 unrestricted reserves were £319k (2017: £117k).

Previously, the trustees approved a policy of maintaining general reserves in a range between three months budgeted expenditure and the estimated financial risk related to Humentum UK's annual net income. Three months of budgeted expenditure for 2018/19 is £553k, whereas the estimated downside risk within the budget for 2018/19 is estimated to be £332k. This is based on the revenue remaining at the same level as 2017/18 but costs increasing in line with the budget for 2018/19. Humentum UK's Board is committed to increasing reserves to an appropriate level. The surplus in 2017/18 is a large step in that direction to rebuild the reserves following the affiliation and the 2018/19 budget is set at a level to increase the reserves to the required level.

Restricted funds, which are tied to specific purposes, were £7k as at 30th September 2018 (2017: £25k).

G. Plans for 2018/19

With the new fiscal year, we launch our strategic journey to make a difference in essential operational capabilities for 5,000 organisations by the end of 2021.

H. Public Benefit Statement

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 Commission.

Humentum UK's charitable purpose is enshrined in its objects "to promote the efficiency and effectiveness of charities and the work of other voluntary organisations which is exclusively charitable". 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.

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's services via Humentum's website and through Humentum's growing international and social media-based networks. Humentum 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 seeks regular feedback on the quality of our work and the benefits that it creates for NGOs and their beneficiaries.

The continuing demand from NGOs for Humentum's services shows that, while NGOs increasingly recognise the importance of strengthening financial management in improving their efficiency and effectiveness, there is much more work to be done.

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

Small Company Exemptions

This report is prepared in accordance with the small company's regime under the Companies Act 2006.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and regulations.

Company law requires the trustees to prepare accounts 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;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts 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.

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 him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Signed on behalf of the Trustees and Directors by:



Kim Schwartz

Treasurer

Date: 24th January 2019

INDEPENDENT AUDITOR'S REPORT

We have audited the accounts of Humentum UK (the "Charity") for the year ended 30th September 2018 which comprise of Statement of Financial Activities, including the income and expenditure account, Comparative Statement of Financial Activities, Balance Sheet, Statement of cash flows and notes to the accounts, 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 accounts:

- give a true and fair view of the state of the Charity's affairs as at 30th September 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Charity'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 accounts 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 accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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' report (incorporating the directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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:

- sufficient accounting records have not been kept;
- the accounts are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

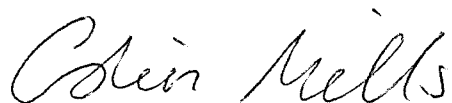
Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 based on these accounts.

A further description of our responsibilities for the audit of the accounts 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 this report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Colin Mills
Senior Statutory Auditor

For and on behalf of Critchleys Audit LLP (Statutory Auditor)
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

8 February 2019

Humentum UK
Statement of Financial Activities, including the income and expenditure
account
for the year ending 30th September 2018

		2018	2018	2018	15 months 2017
		Unrestricted	Restricted	Total	Total
Income	Note	£000's	£000's	£000's	£000's
Fee income					
Training & Publications		995	-	995	1,096
Recruitment		78	-	78	115
Consultancy		841	-	841	750
Donations	11	5	31	36	32
Total income		1,919	31	1,950	1,993
Expenditure	3				
Fundraising costs	5	1	-	1	1
Charitable activities					
Training & Publications		904	34	938	1,146
Standards		1	-	1	48
Recruitment		61	-	61	151
Consultancy		647	11	658	758
Networks & influence		107	-	107	89
Total expenditure		1,721	45	1,766	2,193
Net income / (expenditure)	2	198	(14)	184	(200)
Transfer between funds		4	(4)	-	-
Net movement in funds		202	(18)	184	(200)
Total funds brought forward		117	25	142	342
Total funds carried forward		319	7	326	142

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

Humentum UK

Changes to the financial year-end

From 30th June 2016 year-end the charity changed its reporting date to 30th September to align with its parent entity. This means that the reporting period for the 2017 accounts cover a 15-month period to 30th September 2017. As a result, the comparative amounts presented in the accounts are not entirely comparable.

Comparative Statement of Financial Activities

		2017	2017	2017
		Unrestricted	Restricted	Total
Income	Note	£000's	£000's	£000's
Fee income				
Training & Publications		1,096	-	1,096
Recruitment		115	-	115
Consultancy		750	-	750
Donations	11	8	24	32
Total income		1,969	24	1,993
Expenditure	3			
Fundraising costs	5	1	-	1
Charitable activities				
Training & Publications		1,103	43	1,146
Standards		48	-	48
Recruitment		151	-	151
Consultancy		758	-	758
Networks & influence		89	-	89
Total expenditure		2,150	43	2,193
Net income/(expenditure)	2	(181)	(19)	(200)
Total funds brought forward		298	44	342
Total funds carried forward		117	25	142

Humentum UK

Balance Sheet as at 30th September 2018

		2018	2018	2017	2017
	Note	£000's	£000's	£000's	£000's
Fixed Assets	12		-		2
<i>Current Assets</i>	13				
Trade debtors		176		94	
Accrued income		63		43	
Prepayments		11		30	
Other debtors		266		37	
Cash in hand and at bank		226		325	
		742		529	
<i>Current Liabilities</i>	14				
Trade creditors		128		81	
Deferred Income		159		165	
Other Creditors		129		143	
		416		389	
Net Current Assets			326		140
Net Assets			326		142
<i>Represented By:</i>	17				
General funds			319		117
Restricted funds			7		25
Total Funds			326		142

The notes on pages 22 to 31 form part of these accounts.

These accounts were approved and authorised for issue by the board on 24th January 2019.

Signed on behalf of the board: Kim Schwartz



Company number: 986178

Charity number: 1081406

Date: 24th January 2019

Humentum UK

Statement of Cash Flows for the year ending 30th September 2018

	2018	2017
	£000's	£000's
<i>Cash flows from operating activities</i>		
Net cash provided by operating activities (reconciliation below)	<u>(99)</u>	<u>(50)</u>
<i>Cash flows from investing activities</i>		
Purchase of property, plant and equipment	-	-
Change in cash and cash equivalents in the reporting period	(99)	(50)
Cash and cash equivalents at the beginning of the reporting period	325	375
Cash and cash equivalents at the end of the reporting period	<u>226</u>	<u>325</u>
<i>Reconciliation of net income to net cash flow from operating activities</i>		
Net income/(loss) for the reporting period	184	(200)
<i>Adjustments for:</i>		
Depreciation charged	2	7
(Increase) / Decrease in debtors	(312)	52
Increase in creditors	27	91
	<u>(99)</u>	<u>(50)</u>

Humentum UK
Notes to the Accounts
for the year ending 30th September 2018

1. Accounting Policies

a) Basis of preparation

The accounts have been prepared in accordance with all applicable accounting standards, FRS 102, the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" revised 2015 (FRS 102) and the Companies Act 2006, except for the alternative headings that have been used in the Statement of Financial Activities, as the Trustees feel that the revised headings make the accounts easier to read for a non-financial audience. The principal accounting policies adopted in the preparation of the accounts are set out below.

The charity constitutes a public benefit entity as defined by FRS102.

b) Income

Fee income from charitable activities consists of fees charged and due for service provision including training, consultancy work and placing accountants with NGOs. Income is deferred when training fees are received in advance of the courses to which they relate. Grants and donations given to fund revenue expenditure are credited to the income and expenditure account in the period for which they are given.

Turnover is the amount derived from ordinary activities, stated after trade discounts and sales taxes.

c) Expenditure

Expenditure is allocated to the activity for which each specific cost was incurred. Expenditure is allocated in the period in which the costs are incurred. Humentum UK is partially exempt from VAT. In the year to 30th September 2018 Humentum UK incurred £12,727 (2017: £13,314) of irrecoverable VAT which is included within expenditure.

d) Restricted Funds

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. Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

e) Tangible Fixed Assets and Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life on straight-line basis. These are set out in note 12. There is a minimum limit of £1k below which fixed assets are not capitalised.

f) Pension contributions

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 charged to the statement of financial activities as they become payable.

g) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise.

h) 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.

i) Going concern

The accounts have been prepared on a going concern basis as the trustees believe that no material uncertainties exist.

2. Net income / (expenditure)

Net income / (expenditure) is stated after charging:

	2018 £000's	2017 £000's
Depreciation of tangible assets	2	7
Auditor's remuneration:		
- Audit of accounts	4	4
- Other services	5	2

3. Expenditure

	2018 £000's Direct costs	2018 £000's Support costs	2018 £000's Total
Charitable activities:			
Training & Publications	756	182	938
Standards	1	-	1
Recruitment	59	2	61
Consultancy	561	97	658
Networks & Influence	106	1	107
Fundraising costs	1	-	1
Total	1,484	282	1,766

2017 Comparative

	2017 £000's Direct Costs	2017 £000's Support costs	2017 £000's Total
Charitable activities:			
Training & Publications	776	370	1,146
Standards	28	20	48
Recruitment	96	55	151
Consultancy	656	102	758
Networks & Influence	71	18	89
Fundraising costs	1	-	1
Total	1,628	565	2,193

Support costs include business development costs. Business development costs are apportioned using net fees (income less direct costs excluding staff and associates). All other support costs have been apportioned based on the percentage of full time equivalent staff employed in each area of activity.

4. Support costs	2018 £000's	2017 £000's
Administration expenses	147	233
Staff costs	104	180
Governance costs (<i>note 6</i>)	31	152
Total	282	565

Support costs include business development costs.

5. Fundraising costs	2018 £000's	2017 £000's
Support costs allocation	1	1
Total	1	1

6. Governance costs	2018 £000's	2017 £000's
Staff costs	24	77
Audit fees	5	6
Support and trustee recruitment costs	2	69
Total	31	152

Governance costs include all costs directly related to meeting the charity's statutory requirements, including staff time spent supporting the board of trustees, preparing the annual report and accounts. The decrease in support costs mainly relates to consultancy costs, professional fees and significant staff time related to the negotiation and management of the affiliation.

7. Trustee remuneration, benefits and expenses

The Trustees received no remuneration or benefits during the year to 30th September 2018 (2017: nil). Reimbursed expenses in the year totalled £273 (2017: nil) for one trustee (2017: nil) for travel to meetings.

8. Director and employees

The average number of staff during the year to 30th September 2018, including full-time and part-time employees, was 24.67 (2017: 24.8). The number of full-time equivalent employees was 17.67 (2017: 19.9).

Employee emoluments were as follows:

	2018	2017
	£000's	£000's
Staff salaries	644	926
Social security costs	75	85
Pension contributions	44	52
Total	763	1,063

Staff costs include remuneration paid to key management personnel (including employers' national insurance) of £113,955 (2017: £269,000).

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:

	Year ended 30th Sep 2018	15-months ended 30th Sep 2017
£60,001 - £70,000	-	1
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1

9. Leasing commitments

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

	Land & Buildings	
	2018	2017
	£000's	£000's
<i>Due:</i>		
Within 1 year	20	23
Within 1 - 5 years	-	17

The total expense included within the Statement of Financial Activities is £37k (2017: £19k).

10. Taxation

No Corporation Tax is payable since, as a registered charity, the company is generally exempt on its income and capital gains provided they are applied for charitable purposes.

11. Donations

<i>Unrestricted donations, sponsorship and associated support received from:</i>	2018 £000's	2017 £000's
Donations from individuals	5	4
Corporate donations and sponsorship	-	4
Total	5	8

<i>Restricted income received from:</i>	2018 £000's	2017 £000's
Deb Appleby	10	12
ICAEW Foundation	6	12
INTL FC Stone	15	-
Total	31	24

Deb Appleby provided funding for bursaries to allow staff from small local NGOs to attend our training courses in developing countries.

ICAEW Foundation has supported Humentum UK for several years, to provide training bursaries.

INTL FC Stone sponsored a series of treasury events which enabled senior staff of NGOs to learn about new developments in foreign exchange management and treasury and share their experience.

12. Fixed Assets

	Office Furniture £000's	Computers & Projectors £000's	Software £000's	Leasehold Improvements £000's	Total £000's
Cost					
As at 1 Oct 2017	5	10	42	20	77
Additions in year	-	-	-	-	-
Disposals	-	-	-	-	-
As at 30 Sep 2018	5	10	42	20	77
Depreciation					
As at 1 Oct 2017	5	9	41	20	75
Charge for year	-	1	1	-	2
Disposals	-	-	-	-	-
As at 30 Sep 2018	5	10	42	20	77
Net book value					
As at 1 Oct 2017	-	1	1	-	2
As at 30 Sep 2018	-	-	-	-	-

Fixed assets are depreciated using the straight-line method. 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.

13. Debtors and Prepayments

	2018 £000's	2017 £000's
Trade debtors	176	94
Accrued income	63	43
Prepayments	11	30
Amounts owed from Humentum US	240	-
Deposits	13	7
Employee advances	13	16
Other debtors	-	14
Total	516	204

14. Creditors: Amounts falling due within one year

	2018 £000's	2017 £000's
Trade creditors	128	81
Training fees received in advance	159	165
Accrued expenditure	63	114
Taxes and payroll liabilities	66	29
Total	416	389

All training fees received in advance are released to incoming resources in the following year when the training takes place. Only training fees received in advance which are paid at 30th September 2018 are included above.

15. Deferred income

	2018 £000's	2017 £000's
At 1 st October 2017	165	133
Additions during the year	159	165
Amounts released to income	(165)	(133)
At 30th September 2018	159	165

16. Capital and Company information

The company is limited by guarantee, incorporated and domiciled in England and does not have share capital. Each member has given a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up.

At 30th September 2018 the sole member is Humentum, a US non-profit organisation. Humentum produces consolidated accounts. Copies are obtainable from Humentum's Washington, DC Office at 1120 20th St, NW Suite 520 S Washington, DC 20036.

Humentum UK's registered address and principal place of business to 30th September 2018 is Chester House, George St, Oxford, OX1 2AU. The registered office changed to Beaver House, 23-38 Hythe Bridge Street, Oxford, OX1 2EP from 1st January 2019.

17. Balances on unrestricted and restricted funds

	At 1st Oct 2017	Surplus/ (deficit) for the year	Transfer between funds	At 30th Sep 2018
Unrestricted funds				
General funds	117	198	4	319
Restricted funds				
Training bursaries	18	(11)	-	7
E-learning	7	(7)	-	-
Treasury event	-	4	(4)	-
Total funds	142	184	-	326

<i>2017 Comparative</i>	At 1st Oct 2016	Surplus/ (deficit) for the year	Transfer between funds	At 30th Sep 2017
Unrestricted funds				
General funds	284	(167)	-	117
Designated bursary funds	14	(14)	-	-
Restricted funds				
Training bursaries	12	6	-	18
E-learning	32	(25)	-	7
Total funds	342	(200)	-	142

18. Analysis of net assets by funds

	Restricted Funds £000's	Unrestricted Funds £000's	Total Funds £000's
Fixed assets	-	-	-
Net current assets	7	319	326
Total	7	319	326

<i>2017 Comparative</i>	Restricted Funds £000's	Unrestricted Funds £000's	Total Funds £000's
Fixed assets	-	2	2
Net current assets	25	115	140
Total	25	117	142

19. Related party transactions

During the year salaries and expenses of £151k (2017: nil) relating to Humentum US, the sole member of Humentum UK, were paid by Humentum UK. In addition, revenue £15k (2017: nil) was received by Humentum UK, for services provided by Humentum US. At the year end, the amount owed to Humentum UK from Humentum US was £240k (2017: nil), which includes an £105k for training fees collected by Humentum US which were not paid to Humentum UK as at 30th September 2018.