

HUMANA

(A Company Limited by Guarantee and not having a Share Capital)

Company No. 2143753

ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996



HUMANA

Trustees' Report

The trustees present their report and the audited accounts for the year ended 31st December 1996.

Charitable Status

The company is registered as charity number 297489.

Principal Activities and Review

The results for the year are set out on page 4. The company's principal activity during the year was the sale of donated clothes and goods through their retail outlets, and to clothes merchants. The net proceeds derived from these activities will be donated for the advancement of education and the relief of poverty and natural and manmade disasters.

26th January 1996 the Charity Commission appointed Mr. Peter Copp, BDO Stoy Hayward as Receiver and Manager for Humana Limited under the Charities Act 1993.

On 28th November 1997 the Receiver and Manager was removed from his office by the Charity Commission and the following were appointed as Trustees: Mrs. Julie Davies, Mr. Bob Lisney, Mr. Ian Hagg and Mr. Girish Valdya.

In 1996 Humana had increased the collection of clothes to 1,400 tons collected from approximately 500 clothes banks.

Humana has been running five charity shops.

1996 Humana had written off a debt arising from previous years from HM Customs and Excise of £159,649, the result for the year was £106,963 before donations.

Due to the uncertainty in respect of the liability to HM Customs and Excise it was deemed prudent not to make any donations until the extent of the liability was quantified with reasonable certainty.

The Trustees would like to thank the staff of Humana for being loyal during the year.

At the end of the year Humana held items of stock ready for sale. The directors consider that this stock has an equivalent cost value of £36,125. This amount is not reflected in the accounts at the year end.

Trustees

The trustees who were also directors for Companies Act purposes, and served during the period were:

Lena Eriksson
Mikala Gottlob
Jyette Nielsen

HUMANA

Trustees' Report (Continued)

Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Kingston Smith have expressed their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

In preparing the above report, the trustees have taken advantage of special exemptions applicable to small companies provided by part II of schedule 8 of the Companies Act 1985.

By Order of the Board



Mikala Gottlob
Chairman

12/12/97

Auditors' Report to the Members of HUMANA Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

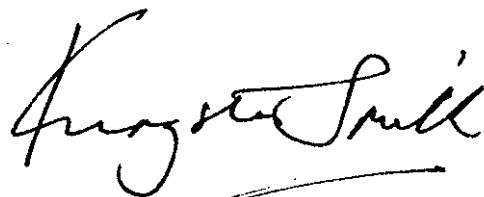
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1996 and of its deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

In our opinion the company is entitled to the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts for the year ended 31st December 1996.



KINGSTON SMITH
Chartered Accountants
and Registered Auditors

Devonshire House
60 Goswell Road
London EC1M 7AD

Date:

16/12/97

HUMANA
Income and Expenditure Account
For the year ended 31st December 1996

	Note	1996 £	1995 £
Income			
Sale of donated goods		1,468,764	1,457,386
Street collection		-	4,869
Miscellaneous income		-	6,993
Interest receivable		<u>960</u>	<u>112</u>
		1,469,724	1,469,360
Indirect Expenditure			
Distribution costs		(115,657)	(104,822)
Shop costs		(397,211)	(242,715)
Administrative expenses		(487,645)	(402,554)
Collecting and sorting costs		(360,570)	(407,376)
Interest payable and similar charges		<u>(1,678)</u>	<u>(1,955)</u>
Income less Indirect Expenditure	3	106,963	309,938
Direct Charitable Expenditure			
Donations made		<u>-</u>	<u>(295,248)</u>
Income less Expenditure		<u><u>106,963</u></u>	<u><u>14,690</u></u>

Continuing Operations

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than those passing through the profit and loss account.

The attached notes form part of these accounts.

HUMANA

Balance Sheet at 31st December 1996

	Note	1996 £	1996 £	1995 £	1995 £
Fixed Assets	4		72,648		72,679
Current Assets					
Debtors	5	24,967		34,245	
Cash at bank and in hand		<u>230,908</u>		<u>19,423</u>	
		255,875		53,668	
Creditors: Amounts falling due within one year	6	<u>(176,855)</u>		<u>(70,473)</u>	
Net Current Assets/(Liabilities)			<u>79,020</u>		<u>(16,805)</u>
Total Assets less Current Liabilities			151,668		55,874
Creditors: Amounts falling due after more than one year	7		<u>(639)</u>		<u>(11,808)</u>
			<u>151,029</u>		<u>44,066</u>
o Accumulated Funds			123,074		2,133
6 Revaluation Reserve	2		<u>27,955</u>		<u>41,933</u>
	10		<u>151,029</u>		<u>44,066</u>

The trustees have taken advantage of special exemptions conferred by part I of schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts, and have done so on the grounds that in their opinion, the company qualifies as a small company.

The accounts were approved by the board of trustees on /2. /2.97 and signed on its behalf by:

Mikala Gottlob  Chairman

The attached notes form part of these accounts.

HUMANA

Notes to the Accounts

For the year ended 31st December 1996

1 Basis of Accounting

The accounts have been prepared under the historical cost convention.

2 Accounting Policies

Accounting Convention

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Consolidation

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

Depreciation

Depreciation on fixed assets is provided at rates estimated to write the assets off their expected useful lives. The following rates were applied during the period.

Leasehold premises	Over 4 years
Furniture and equipment	25% on written down value
Motor vehicles	25% on written down value
(owned and held under hire purchase contracts)	
Motor vehicles	Over lease term
(held under finance leases)	
Containers	33 1/3% on written down value

Leases and Hire Purchase Agreements

Assets owned by the company which have been funded through hire purchase agreements and finance leases are capitalised and the resulting obligations are included in creditors. Rentals payable under operating leases are charged to the income and expenditure account as incurred over the lease term.

Donated Clothes and Goods

The value of donated clothes and goods is recognised as income in the accounts at the date of sale.

3 Income less Indirect Expenditure

	1996	1995
	£	£
This is stated after charging:		
Depreciation - owned assets	29,824	27,637
- leased assets	3,835	5,114
Auditors' remuneration	7,500	10,000
Aggregate finance lease charges	586	1,796
Operating lease rentals - metal containers	3,916	-
Exceptional item - VAT assessment	<u>159,649</u>	<u>-</u>

HUMANA
Notes to the Accounts
For the year ended 31st December 1996 (Continued)

4 Fixed Assets

	Containers £	Furniture and Equipment £	Motor Vehicles £	Total £
Cost				
At 1st January 1996	77,034	21,728	60,172	158,934
Additions	<u>33,628</u>	<u>-</u>	<u>-</u>	<u>33,628</u>
At 31st December 1996	<u>110,662</u>	<u>21,728</u>	<u>60,172</u>	<u>192,562</u>
Depreciation				
At 1st January 1996	25,652	18,774	41,829	86,255
Charge for the year	<u>28,337</u>	<u>738</u>	<u>4,584</u>	<u>33,659</u>
At 31st December 1996	<u>53,989</u>	<u>19,512</u>	<u>46,413</u>	<u>119,914</u>
Net Book Value				
At 31st December 1996	<u>56,673</u>	<u>2,216</u>	<u>13,759</u>	<u>72,648</u>
At 31st December 1995	<u>51,382</u>	<u>2,954</u>	<u>18,343</u>	<u>72,679</u>

The net book value of fixed assets includes an amount of £11,509 (1995 - £15,344) in respect of assets held under finance leases.

5 Debtors

	1996 £	1995 £
Other debtors	<u>24,967</u>	<u>34,245</u>

6 Creditors: Amounts falling due within one year

	1996 £	1995 £
Loans	-	20,957
Obligations under finance leases	2,254	2,769
Tax and social security	8,687	5,579
Accruals	<u>165,914</u>	<u>41,168</u>
	<u>176,855</u>	<u>70,473</u>

HUMANA

Notes to the Accounts

For the year ended 31st December 1996 (Continued)

7 Creditors: Amounts falling due after more than one year	1996 £	1995 £
Loans	-	8,732
Obligations under finance leases	<u>639</u>	<u>3,076</u>
	<u>639</u>	<u>11,808</u>

8 Subsidiary Company

HUMANA owned the entire share capital of Resources Recycling Limited a company which was established to carry out the trading activities of the charity. This company was struck off in February 1997 and therefore we no longer consider it appropriate to disclose the amount due from them. The debt has been fully provided for in prior years.

	1996 £	1995 £
Current assets	31	31
Creditors - Amounts falling due within one year		
- Amounts due to holding company	<u>(8,665)</u>	<u>(8,665)</u>
	<u>(8,634)</u>	<u>(8,634)</u>

Represented by:

Share capital	2	2
Reserves	<u>(8,636)</u>	<u>(8,636)</u>
	<u>(8,634)</u>	<u>(8,634)</u>

In the company's accounts a provision of £8,665 has been made against the amount due from Resources Recycling Limited.

9 Transactions with Related Organisations

During the year the company made the following payments to the related organisation, The Federation for the Pan European Benevolent organisation of UFF and HUMANA:

	1996 £	1995 £
Donations for projects	-	295,248
Container leases	<u>-</u>	<u>1,000</u>

The containers are used as clothes collection points and were previously held under operating leases. These leases have been terminated, and wooden containers are now being bought outright and capitalised as fixed assets.

HUMANA

Notes to the Accounts

For the year ended 31st December 1996 (Continued)

10 Reconciliation of Movement in Members' Funds

	Accumulated Funds £	Revaluation Reserve £	Total Members' Funds £
Balance at 1st January 1995	(33,524)	62,900	29,376
Income less expenditure	14,690	-	14,690
Transfer of depreciation from revaluation reserve	<u>20,967</u>	<u>(20,967)</u>	<u>-</u>
Balance at 31st December 1995	2,133	41,933	44,066
Income less expenditure	106,963	-	106,963
Transfer of depreciation from revaluation reserve	<u>13,978</u>	<u>(13,978)</u>	<u>-</u>
Balance at 31st December 1996	<u><u>123,074</u></u>	<u><u>27,955</u></u>	<u><u>151,029</u></u>

11 Liability of Members

HUMANA is a company limited by guarantee. In the event of a winding up, the members are each liable to pay up to a maximum of £1.

12 Financial Commitment

The payment which the company is committed to make in the next year, under operating leases, is as follows:

	1996 £	1995 £
Metal containers lease expiring	<u><u>3,916</u></u>	<u><u>-</u></u>