

**TEXTILE RECYCLING FOR AID AND  
INTERNATIONAL DEVELOPMENT (TRAID)  
(formerly HUMANA LIMITED)**

(A company limited by  
guarantee and not having  
a share capital)

Report and Financial Statements

Year ended  
31 December 1998

Company number 2143753

Registered charity number: 297489



**BDO**  
BDO Stoy Hayward  
Chartered Accountants

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

**Annual report and financial statements for the year ended 31 December 1998**

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# **TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

## **Report of the trustees for the year ended 31 December 1998**

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The trustees, who are the directors for the purposes of company law, submit their annual report and financial statements for the year ended 31 December 1998.

### **Trustees and administrative details**

The Trustees, who held office during the year were:

|                   |                                                           |
|-------------------|-----------------------------------------------------------|
| Ms Julie Davis    | (Treasurer)                                               |
| Ms Lena Eriksson  | (dismissed 29 April 1999)                                 |
| Ms Anna Falldgard | (dismissed 29 April 1999)                                 |
| Ms Mikala Gottlob | (Chairman – resigned July 1998) (dismissed 29 April 1999) |
| Mr Ian Hagg       | (Chairman – appointed August 1998)                        |
| Ms Hanna Hansen   | (dismissed 29 April 1999)                                 |
| Ms Else Nielsen   | (dismissed 29 April 1999)                                 |
| Mr Bob Lisney     |                                                           |
| Ms Jytte Nielsen  | (dismissed 29 April 1999)                                 |
| Mr Girish Vaidya  |                                                           |

Trustees are appointed by the members in accordance with the provisions of the Memorandum and Articles Associations.

### **Registered office**

69-71 High Road  
Kilburn, London NW6 6HY

### **Bankers**

Barclays Bank  
36-38 Park Royal Road, London NW10 7WJ

### **Solicitors**

Bates Wells and Braithwaite  
61 Charterhouse Street, London EC1M 6HA

### **Auditors**

BDO Stoy Hayward  
Derby House, 27 Exeter Road, Newmarket, Suffolk CB8 8LL

### **Insurance Brokers**

Roger Lark and Sedgwick  
Wigham House, Wakering Road, Barking, Essex IG11 8PJ

### **Constitution**

Textile Recycling for Aid and International Development (TRAID) formerly Humana Limited is a registered UK charity no. 297489 and a company limited by guarantee (registration no. 2143753). The governing document is the Memorandum and Articles of Association.

# **TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

## **Report of the trustees for the year ended 31 December 1998 (Continued)**

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### **Objects of the charity**

The objective for which the Company is established is, as set out in the Memorandum of Association:

To advance education and to relieve poverty and relieve suffering where caused by famine, war, natural and manmade disasters anywhere in the world and to produce the carrying out of research into the causes of poverty, suffering and disasters and the publication of the useful results of such research through the provision of money and financial support.

### **Policies adopted**

TRAID - Textile Recycling for Aid and International Development (formerly Humana Ltd, name changed July 9<sup>th</sup> 1999), is a charity committed to combating world poverty by recycling at home. Funds raised in the UK through the collection and sale of second-hand clothing and shoes finance development projects in some of the poorest regions of the world.

Within the UK we reduce waste and waste disposal costs by providing accessible recycling facilities. There are over 800 clothes and shoe banks primarily throughout the South-East, but also in the Midlands and the North, making recycling easy and convenient. During 1998 approximately 200 tonnes of donated clothing were collected per month. Selected textiles were retailed through a total of 6 ( 7 in 1999 ) retail outlets within London, the remaining stock graded and sold in bulk within the UK and Europe.

### **1998 Funding Allocation**

During 1998 TRAID (then Humana) supported a wide range of overseas projects in conjunction with both UK and International NGOs.

TRAID (then Humana) donated a total of £180,472 to the UNICEF water and sanitation programme in Angola.

The programme objectives are as follows:

- to provide access to safe water and sanitation facilities for 100,000 households
- to reduce the prevalence of water and sanitation related diseases such as cholera and diarrhoea
- to improve hygiene education to at least 50% of the national population through community mobilisation and school programmes
- to strengthen the capacity of central and provincial water agencies of Government, to plan, implement and sustain water and sanitation projects
- to train local people in maintenance skills

## **TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

### **Report of the trustees for the year ended 31 December 1998 (Continued)**

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In conjunction with **Care International UK**, TRAID (then Humana) donated £39,658 to a landmine clearing project in the Central province region of Angola.

The project objectives are as follows:

- to make it safe for local people to use their schools, roads and water systems.
- to educate communities in how to identify and avoid landmines and unexploded ordnance
- to train local people as de-miners, surveyors and mine awareness educators through the use of Greenfields consultants

In addition, £50,105 was donated (also Care International UK) to Girls' Primary Education Programme - India, Uttar Pradesh and Rajasthan.

The project objectives are as follows:

- to raise awareness among local communities of the unique/significant benefits of educating girls
- to improve the relevance and suitability of the education available through consultation with communities and the Indian Government
- the initiation of a Formal Equivalent Education Programme, which will make education more accessible and relevant to girls who are unable to attend formal schools

In conjunction with **Project Concern International** a total of £53,723 was donated towards a water, sanitation and HIV awareness project in rural India.

The project objectives are as follows:

- to mobilise families in rural communities to improve their living conditions in terms of sanitation, health and education. ( Specifically in order to improve child survival and the welfare of women ).
- to provide the community with the knowledge and skills to implement improvements
- to work sensitively with the local community to raise awareness concerning female education and equal rights.

Finally, a total of £30,000 was donated to the Disasters Emergency Committee Hurricane Mitch Appeal, for the victims of the Central American hurricane.

# **TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

## **Report of the trustees for the year ended 31 December 1998 (*Continued*)**

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### **Organisation**

In August 1998 Ian Hagg was appointed Chairman of the Board of Trustees. A majority of Trustees were increasingly concerned by the ongoing association with the 'parent' organisation. The Trustees decided to sever all links with Humana, this resulted in several Trustee and Senior Management resignations. The Trustees decided to appoint a new Director and through him to implement a wide ranging programme of change.

During 1999 TRAIID has continued to fund a wide range of projects in conjunction with UK and International NGOs.

During 1999 and, as a direct result of the formal disassociation from Humana and launch of TRAIID, significant financial investment has been made within the organisation.

Retail sales during 1999 have experienced a 10% downturn. As a result of the appointment of a new Head of Retail in September 1999, sales are now expected to increase by 15% during 2000.

Income received from the wholesale of donated goods during 1999 has reduced by 20% as a direct result of decreases in market value.

The newly appointed Management Team has been authorised by the Board of Trustees to explore alternative means of operating, including the option to sub contract certain operating functions, as a means of reducing overall operating costs and increasing efficiency and profitability.

The Board of Trustees would like to acknowledge the efforts made by all staff during this difficult period.

### **Future Development**

A new Director was appointed in January 1999 to implement a substantial charity-wide programme of change, including:

- a complete review of all internal systems and processes
- the implementation of a new management structure
- consolidation of the Charity, and formal disassociation from Humana
- the launch of the Charity under its new name and identity in July 1999
- establish a range of contacts throughout the charity and local authority sector as part of a stakeholder engagement and positioning exercise.

All of the above are ongoing and will require consolidating throughout FY 99 and 2000.

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

**Report of the trustees for the year ended 31 December 1998 *(Continued)***

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**Review of financial position**

The statement of financial activities on page 7 shows the surplus from fundraising activities for the year of £590,214. The accumulated funds of £972,128 at 31 December 1998 will be applied to support long-term projects in line with the objectives and policies described above.

During the year a decision was made to change the accounting policy in respect of the stocks of donated goods. Stocks were in the past carried on the balance sheet. The Trustees have reviewed this policy and decided that, as the realisable value of stocks can only be estimated subject to a considerable degree of uncertainty such a valuation should not be included in the accounts. In order to maintain consistency, the amounts shown in respect of the year ended 31 December 1997 have been re-stated. The effect of the year ended is to reduce the brought forward funds at 1 January 1997 by £36,125 and net incoming resources for the year ended 31 December 1997 by £24,925.

It is confirmed that these accounts comply with current statutory requirements and with the requirements of the charity's Memorandum and Articles of Association.

**Reserves policy**

The policy of the Charity takes accounts of the forecasts of future income and expenditure on planned activities and on analysis of future needs and opportunities. In addition, it provides funds for emergency relief in third world areas.

Finally, an assessment has been made of the risk of not being able to fund future needs and the consequences of this for the Charity. The present level of reserves representing some 3 months of predicted operating costs, is considered to be a reasonable and fair assessment.

The level of unrestricted funds at the balance sheet date is £972,128.

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

**Report of the trustees for the year ended 31 December 1998 (Continued)**

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**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 charitable company and of the income and expenditure of the charitable 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;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Year 2000 issues**

The directors have identified key risks to the business and have developed a plan to minimise their impact. They have considered not only the company's systems but also those of their major suppliers and customers. Although no organisation can guarantee that no year 2000 problems will arise, the directors believe that, having identified and removed the major risks to the business in accordance with the plan they have developed, it will be possible to quickly resolve any such problems as may arise without significant additional costs.

**Auditors**

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

**By order of the trustees**



Ian Hagg



**BDO Stoy Hayward**  
Chartered Accountants

Derby House  
27 Exeter Road  
Newmarket  
Suffolk CB8 8LL

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

**Report of the auditors**

**To the members of Textile Recycling for Aid and International Development (TRAID) (formerly HUMANA LIMITED)**

We have audited the financial statements on pages 7 to 15 which have been prepared under the accounting policies set out on pages 9 and 10.

*Respective responsibilities of trustees and auditors*

As described on page 5 the charitable company's trustees 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable 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 charitable company's affairs as at 31 December 1998 and of its incoming resources and application of resources, including income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**BDO STOY HAYWARD**  
Chartered Accountants  
and Registered Auditors  
Newmarket, Suffolk

*15 February 2000*

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

**Statement of financial activities for the year ended 31 December 1998**

|                                      | Note | Total<br>1998<br>£ | Total<br>1997<br>(restated)<br>£ |
|--------------------------------------|------|--------------------|----------------------------------|
| <b>Income and expenditure</b>        |      |                    |                                  |
| <b>Incoming Resources</b>            |      |                    |                                  |
| Sales of donated goods               |      | 1,650,561          | 1,483,005                        |
| Miscellaneous income                 |      | -                  | 7,229                            |
| Interest receivable                  |      | 44,237             | 26,314                           |
|                                      |      | <hr/>              | <hr/>                            |
| Total incoming resources             |      | 1,694,798          | 1,516,548                        |
|                                      |      | <hr/>              | <hr/>                            |
| <b>Resources expended</b>            |      |                    |                                  |
| Direct charitable expenditure:       |      |                    |                                  |
| Grants payable                       | 4    | 353,958            | -                                |
| Other expenditure:                   |      |                    |                                  |
| Fundraising and publicity            | 4    | 1,060,347          | 803,604                          |
| Management and administration        | 4    | 69,245             | 103,093                          |
|                                      |      | <hr/>              | <hr/>                            |
| Total resources expended             |      | 1,483,550          | 906,697                          |
|                                      |      | <hr/>              | <hr/>                            |
| Net incoming resources               |      | 211,248            | 609,851                          |
|                                      |      | <hr/>              | <hr/>                            |
| <b>Fund balances brought forward</b> |      |                    |                                  |
| - as previously stated               |      | 821,930            | 187,154                          |
| - prior year adjustment              |      | (61,050)           | (36,125)                         |
|                                      |      | <hr/>              | <hr/>                            |
| - as restated                        |      | 760,880            | 151,029                          |
|                                      |      | <hr/>              | <hr/>                            |
| Fund balances carried forward        |      | 972,128            | 760,880                          |
|                                      |      | <hr/>              | <hr/>                            |

All amounts relate to continuing activities. All funds are unrestricted. There were no other recognised gains and losses other than those shown above in either 1998 or 1997.

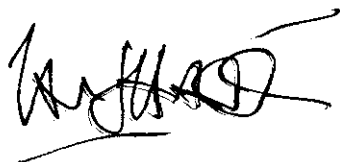
The notes on pages 9 to 13 form part of these financial statements.

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

**Balance sheet at 31 December 1998**

|                                                                | Note | 1998      | 1997    |
|----------------------------------------------------------------|------|-----------|---------|
|                                                                |      | £         | £       |
| <b>Fixed assets</b>                                            |      |           |         |
| Tangible assets                                                | 5    | 172,091   | 114,077 |
| <b>Current assets</b>                                          |      |           |         |
| Debtors                                                        | 6    | 196,561   | 125,925 |
| Cash at bank and in hand                                       |      | 702,977   | 709,816 |
|                                                                |      | 899,538   | 835,741 |
| <b>Creditors: amounts falling due within one year</b>          | 7    | 68,635    | 181,459 |
| <b>Net current assets</b>                                      |      | 830,903   | 654,282 |
| <b>Total assets less current liabilities</b>                   |      | 1,002,994 | 768,359 |
| <b>Creditors: amounts falling due after more than one year</b> | 8    | (30,866)  | (7,479) |
| <b>Net assets</b>                                              |      | 972,128   | 760,880 |
| Represented by                                                 |      |           |         |
| <b>Unrestricted funds</b>                                      |      | 972,128   | 760,880 |

The financial statements were approved by the trustees on ~~10th~~ 3rd February 2000.



Ian Hagg

The notes on pages 9 to 13 form part of these financial statements.

# TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)

Notes forming part of the financial statements for the year ended 31 December 1998

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## 1 Accounting policies

### *Basis of accounting*

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting by Charities ("the SORP").

TRAID (formerly Humana Limited) falls outside the scope of Financial Reporting Standard No.1, Cash Flow Statements, and accordingly no such statement is presented.

The following accounting policies have been applied consistently throughout the year except for the change in policy relating to stock described below:

### *Change in accounting policy and prior year adjustment*

In the previous year, stocks of donated goods were included in the previous accounts at the lower of the cost of collection, sorting and distribution and their net realisable value. The trustees have reviewed this policy and decided that, as the realisable value of stocks can only be estimated subject to a considerable degree of uncertainty such a valuation should not be included in the accounts. In order to maintain consistency, the amounts shown in respect of the year ended 31 December 1997 have been re-stated. The effect of the year ended is to reduce the brought forward funds at 1 January 1997 by £36,125 and net incoming resources for the year ended 31 December 1997 by £24,925.

### *Income*

Income is accounted for on an accruals basis, except that income from sales of donated goods is recognised on sale.

### *Expenditure*

Expenditure is recognised on an accruals basis. Expenditure is allocated to the activity to which it relates where possible. Direct charitable expenditure is incurred by way of grants to projects which fulfil the charity's objects. Fundraising costs include direct costs of collection and sorting, distribution and operating the shops and also central costs of managing those operations. Management and administration costs are statutory costs incurred in managing the charitable company including the costs of the general manager.

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

Notes forming part of the financial statements for the year ended 31 December 1998 *(Continued)*

**1 Accounting policies *(Continued)***

*Capitalisation and depreciation*

Fixed assets are capitalised at cost of acquisition or manufacture, for assets constructed by the charitable company. Cost of manufacture represents materials and direct labour used in production.

Depreciation is provided on tangible fixed assets to write off the cost over their estimated useful lives at the following annual rates:

|                                          |                                     |
|------------------------------------------|-------------------------------------|
| Containers                               | 33 $\frac{1}{3}$ % reducing balance |
| Furniture and equipment                  | 25% reducing balance                |
| Motor vehicles - owned and hire purchase | 25% reducing balance                |
| Motor vehicles - finance leases          | Over the lease term                 |

*Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease using the straight line method. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

**2 Staff costs**

|                       | 1998<br>£ | 1997<br>£ |
|-----------------------|-----------|-----------|
| Wages and salaries    | 503,421   | 345,530   |
| Social security costs | 44,961    | 29,660    |
|                       | <hr/>     | <hr/>     |
|                       | 548,382   | 375,190   |
|                       | <hr/>     | <hr/>     |

No member of the trustees received remuneration during the year (1997: £Nil). Five of the trustees had expenses reimbursed for travel and subsistence totalling £3,488 (1997: £380). No employee earned in excess of £40,000 in either of the years under review. The average number of employees was 45 (1997: 35).

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

Notes forming part of the financial statements for the year ended 31 December 1998 *(Continued)*

**3 Taxation**

As the charity only undertakes activities relating to its registered charitable status it has no liability to taxation.

**4 Analysis of resources expended**

|                                            | Staff costs<br>£ | Other<br>£ | 1998<br>Total<br>£ | 1997<br>(restated)<br>Total<br>£ |
|--------------------------------------------|------------------|------------|--------------------|----------------------------------|
| Direct charitable expenditure              |                  |            |                    |                                  |
| Grants                                     | -                | 353,958    | 353,958            | -                                |
| Fund raising and publicity                 |                  |            |                    |                                  |
| Central costs                              | -                | 65,957     | 65,957             | 66,474                           |
| Shop costs                                 | 185,739          | 200,385    | 386,124            | 312,473                          |
| Collecting, sorting and distribution costs | 320,808          | 287,458    | 608,266            | 424,657                          |
|                                            | 506,547          | 553,800    | 1,060,347          | 803,604                          |
| Management and administration              | 41,835           | 27,410     | 69,245             | 103,093                          |
| Total expenditure                          | 548,382          | 935,168    | 1,483,550          | 906,697                          |
| Grants payable                             |                  |            | 1998<br>£          | 1997<br>£                        |
| UNICEF:                                    |                  |            |                    |                                  |
| Water and sanitation services in Angola    |                  |            | 180,472            | -                                |
| Project Concern International:             |                  |            |                    |                                  |
| Water, sanitation and HIV awareness        |                  |            | 53,723             | -                                |
| Care International:                        |                  |            |                    |                                  |
| Rajastau Girls Primary Education           |                  |            | 50,105             | -                                |
| Angola Mine Clearing                       |                  |            | 39,658             | -                                |
| Hurricane Mitch Appeal                     |                  |            | 30,000             | -                                |
|                                            |                  |            | 353,958            | -                                |

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

Notes forming part of the financial statements for the year ended 31 December 1998 *(Continued)*

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**4 Analysis of resources expended***(Continued)*

Shop costs for the year ended 31 December 1998 have been reduced by a credit of £44,867 arising from a reduction in the VAT assessment raised in the previous year.

| Management and administration includes: |                  | 1998   | 1997    |
|-----------------------------------------|------------------|--------|---------|
|                                         |                  | £      | £       |
| Salaries                                |                  | 41,835 | 21,882  |
| Auditor's remuneration                  | - audit          | 8,000  | 7,500   |
|                                         | - systems review | 3,000  | -       |
| Legal and professional                  |                  | 7,250  | 67,065  |
| Other costs                             |                  | 9,160  | 6,646   |
|                                         |                  | <hr/>  | <hr/>   |
|                                         |                  | 69,245 | 103,093 |
|                                         |                  | <hr/>  | <hr/>   |

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

Notes forming part of the financial statements for the year ended 31 December 1998 *(Continued)*

**5 Tangible fixed assets**

|                       | <b>Containers</b> | <b>Furniture &amp; equipment</b> | <b>Motor vehicles</b> | <b>Total</b> |
|-----------------------|-------------------|----------------------------------|-----------------------|--------------|
|                       | <b>£</b>          | <b>£</b>                         | <b>£</b>              | <b>£</b>     |
|                       | <b>1998</b>       | <b>1998</b>                      | <b>1998</b>           | <b>1998</b>  |
| <b>Cost</b>           |                   |                                  |                       |              |
| At 1 January 1998     | 185,144           | 28,449                           | 77,902                | 291,495      |
| Additions             | 64,551            | 1,645                            | 73,900                | 140,096      |
| Disposals             | -                 | -                                | (6,000)               | (6,000)      |
|                       | <hr/>             | <hr/>                            | <hr/>                 | <hr/>        |
| At 31 December 1998   | 249,695           | 30,094                           | 145,802               | 425,591      |
|                       | <hr/>             | <hr/>                            | <hr/>                 | <hr/>        |
| <b>Depreciation</b>   |                   |                                  |                       |              |
| At 1 January 1998     | 101,907           | 20,746                           | 54,765                | 177,418      |
| Charge for year       | 49,263            | 2,337                            | 24,882                | 76,482       |
| Disposals             | -                 | -                                | (400)                 | (400)        |
|                       | <hr/>             | <hr/>                            | <hr/>                 | <hr/>        |
| At 31 December 1998   | 151,170           | 23,083                           | 79,247                | 253,500      |
|                       | <hr/>             | <hr/>                            | <hr/>                 | <hr/>        |
| <b>Net book value</b> |                   |                                  |                       |              |
| At 31 December 1998   | 98,525            | 7,011                            | 66,555                | 172,091      |
|                       | <hr/>             | <hr/>                            | <hr/>                 | <hr/>        |
| At 31 December 1997   | 83,237            | 7,703                            | 23,137                | 114,077      |
|                       | <hr/>             | <hr/>                            | <hr/>                 | <hr/>        |

The net book value of tangible fixed assets includes £53,623 (1997 : £13,950) representing assets held under finance leases. Depreciation of £17,847 (1997 : £8,352) was charged on these assets.

All fixed assets are held for the continuing use of the Charitable Company.

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

Notes forming part of the financial statements for the year ended 31 December 1998 *(Continued)*

**6 Debtors**

|                                | 1998<br>£     | 1997<br>£     |
|--------------------------------|---------------|---------------|
| Due within one year            |               |               |
| Trade debtors                  | 137,718       | 108,079       |
| Other debtors                  | 37,990        | 16,935        |
| Prepayments and accrued income | 20,853        | 911           |
|                                | <hr/> 196,561 | <hr/> 125,925 |

**7 Creditors: amounts falling due within one year**

|                                       |              |               |
|---------------------------------------|--------------|---------------|
| Trade creditors                       | 7,089        | 7,644         |
| Obligations under finance leases      | 20,248       | 6,253         |
| Other taxes and social security costs | 15,163       | 6,368         |
| Accruals and deferred income          | 26,135       | 161,194       |
|                                       | <hr/> 68,635 | <hr/> 181,459 |

**8 Creditors: amounts falling due after more than one year**

|                                  |        |       |
|----------------------------------|--------|-------|
| Obligations under finance leases | 30,866 | 7,479 |
|                                  | <hr/>  | <hr/> |

**9 Liability of members**

The charity not having a share capital, the members' liability is limited to £1 each by the Memorandum of Association.

**10 Commitments under operating leases**

|                   | <b>Land and Buildings</b> |               |
|-------------------|---------------------------|---------------|
|                   | 1998<br>£                 | 1997<br>£     |
| Leases expiring : |                           |               |
| Within one year   | 25,000                    | 40,000        |
| In 1 - 2 years    | 16,900                    | -             |
| In 2 - 5 years    | 113,760                   | 68,430        |
| After 5 years     | 78,500                    | 31,000        |
|                   | <hr/> 234,130             | <hr/> 139,430 |

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

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The pages which follow do not  
form part of the statutory  
financial statements of the charitable company

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

**Income and expenditure for the year ended 31 December 1998**

|                                        | 1998<br>£ | (restated)<br>1997<br>£ |
|----------------------------------------|-----------|-------------------------|
| Sale of donated goods                  | 1,650,561 | 1,483,005               |
| Miscellaneous income                   | -         | 7,229                   |
| Interest                               | 44,237    | 26,314                  |
|                                        | <hr/>     | <hr/>                   |
|                                        | 1,694,798 | 1,516,548               |
|                                        | <hr/>     | <hr/>                   |
| <b>Fundraising and publicity</b>       |           |                         |
| <b>Central costs</b>                   |           |                         |
| Printing, post and stationery          | 10,610    | 5,049                   |
| Advertising information and marketing  | 10,019    | 3,518                   |
| Telephone and fax                      | 9,827     | 11,446                  |
| Travel                                 | 5,169     | 8,478                   |
| Insurance                              | 17,575    | 25,041                  |
| Shop location costs                    | 2,167     | 2,748                   |
| Bank charges and interest              | 10,590    | 10,194                  |
|                                        | <hr/>     | <hr/>                   |
|                                        | 65,957    | 66,474                  |
|                                        | <hr/>     | <hr/>                   |
| <b>Shop costs</b>                      |           |                         |
| Salaries                               | 185,739   | 139,584                 |
| Rent and rates                         | 168,779   | 188,873                 |
| VAT and charges                        | -         | (44,867)                |
| Light and heat                         | 8,742     | 10,810                  |
| Selling costs                          | 11,956    | 7,183                   |
| Cleaning and maintenance               | 8,571     | 8,656                   |
| Depreciation - furniture and equipment | 2,337     | 2,234                   |
|                                        | <hr/>     | <hr/>                   |
|                                        | 386,124   | 312,473                 |
|                                        | <hr/>     | <hr/>                   |

**TEXTILE RECYCLING FOR AID AND INTERNATIONAL DEVELOPMENT (TRAID) (formerly HUMANA LIMITED)**

**Income and expenditure for the year ended 31 December 1998**

|                                                   | 1998<br>£     | (restated)<br>1997<br>£ |
|---------------------------------------------------|---------------|-------------------------|
| <b>Collecting, sorting and distribution costs</b> |               |                         |
| Salaries                                          | 320,808       | 213,724                 |
| Container hire and maintenance                    | 29,181        | 36,879                  |
| Rent and rates                                    | 38,170        | 15,935                  |
| Light and heat                                    | 875           | 15,891                  |
| Cleaning and maintenance                          | 6,277         | 1,362                   |
| Sorting, baling and collecting                    | 34,614        | 20,472                  |
| Depreciation - containers                         | 49,263        | 47,918                  |
| Depreciation - motor vehicles                     | 24,882        | 8,352                   |
| Vehicle running costs                             | 42,278        | 23,801                  |
| Petrol and oil                                    | 42,099        | 35,092                  |
| Machinery leasing costs                           | -             | 2,237                   |
| Freight                                           | 3,625         | -                       |
| Vehicle leasing                                   | 36,694        | 36,994                  |
| Own work capitalised                              | (20,500)      | (34,000)                |
|                                                   | <hr/>         | <hr/>                   |
|                                                   | 608,266       | 424,657                 |
|                                                   | <hr/>         | <hr/>                   |
| <br>Total fundraising costs                       | <br>1,060,347 | <br>803,604             |
|                                                   | <hr/>         | <hr/>                   |
| <b>Management and administrative costs</b>        |               |                         |
| Salaries                                          | 41,835        | 21,882                  |
| Legal and professional fees                       | 7,250         | 67,065                  |
| Audit and accountancy                             | 11,000        | 7,500                   |
| Travel                                            | 5,438         | 380                     |
| Central administration                            | 3,722         | 6,266                   |
|                                                   | <hr/>         | <hr/>                   |
|                                                   | 69,245        | 103,093                 |
|                                                   | <hr/>         | <hr/>                   |
| <br>Total expenditure                             | <br>1,129,592 | <br>906,697             |
|                                                   | <hr/>         | <hr/>                   |