

Registered number: 11008658
Charity number: 1176220

HUMAN LOVE
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

HUMAN LOVE
(A Company Limited by Guarantee)
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS

Directors and Trustees

M H E Quinn
M A Hoffman
D P J Ross (*Resigned on 15 January 2021*)
R S Sharp
D M Simpson

Company registered number

11008658

Charity registered number

1176220

Registered office

Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Accountants

Rawlinson & Hunter LLP
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report together with the consolidated financial statements of Human Love ("the Charitable Company") for the year ended 31 March 2021. The trustees confirm that the report and financial statements of the Charitable Company comply with the current statutory requirements, the requirements of the Charitable Company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Since the Charitable Company qualifies as small under section 383 of the Companies Act 2006, the strategic report required of medium and large companies under Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. POLICIES AND OBJECTIVES

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charitable Company's aims and objectives and in planning future activities and providing help in the form of gifts or grants or any combination of these.

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The current principal objective of the Charitable Company is to raise money and awareness of the global refugee crisis to help refugees around the world. Initially, this will be achieved through '*Our Blood*' an artwork conceived by the artist Marc Quinn, a trustee of the Charitable Company.

The sculpture consists of two substantial, identical cubes of frozen human blood. One is made from donations by about 5,000 resettled refugee volunteers and the other by 5,000 non-refugee volunteers. The sculpture is designed to demonstrate equality and solidarity. The two anonymous cubes will be displayed in bespoke refrigeration units and housed in a pavilion. The pavilion is designed by the renowned architect Norman Foster and the Norman Foster Foundation. The exhibition will tour the globe and will debut in New York City.

Each individual blood donor - refugee and non-refugee - is given the opportunity to tell their story, share their experiences and explain how they want to help. *Our Blood* is not only a sculpture but also a library and video archive of human history and humanitarianism. These videos will be a powerful tool for creating awareness of the issue in an increasingly digital age.

Through personal stories and public advocacy from well-known refugees and non-refugees, including intellectuals and opinion formers, *Our Blood* will harness the power of influence to spread the word and achieve the greatest possible impact.

Our Blood will raise funds for refugees through the sale of a Marc Quinn artwork and various fundraising initiatives and aims to raise millions of dollars to support refugees.

A proportion of the funds raised from the project will go to the International Rescue Committee ("IRC") which is the project's global charity partner. The amount payable to the IRC is the higher of (i) 30% of gross donations received and (ii) 50% of net donations after deducting directly attributable costs. A formal agreement is expected to be reached with the IRC in principle subsequent to the period end.

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With a proportion of all proceeds going to the IRC, the funds raised will support and benefit their annual programming which in 2019 alone reached 19 million people with health education services; provided 1,756,800 people with clean water infrastructure; provided 1.47 million children with schooling and other education opportunities; offered safe spaces to 165,700 women and children while reaching over 700, 00 individuals through their violence protection programme. The remaining proportion will go to further refugee organisations selected by the trustees.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

The trustees have a number of powers which are detailed in the Memorandum of Association and which may be exercised in promoting the objectives of the Charitable Company.

The primary activities during the year were fundraising and increasing awareness of the *Our Blood* project.

A new fundraising initiative was launched in November 2019 by the Charitable Company's subsidiary company Human Love Worldwide Limited. *100 Heads* is a significant new sculptural series by Marc Quinn comprising one hundred concrete portrait busts of refugees. It was developed in collaboration with refugees of all genders, ethnicities and ages, living all over the world. The sculptures are created as editions of 3 with 2 AP's. The profit from each sale is used to further the aims and objectives in delivering *Our Blood*.

Achievements and performance

a. REVIEW OF ACTIVITIES

In the financial period under review, consolidated income receivable totalled £261,793 (2020 - £492,270), which included donations (including Gift Aid) and interest receivable. Of this income, £39 (2020 - £8,841) is restricted.

Consolidated expenditure for the period was £378,055 (2020 - £231,007) which includes expenditure on raising funds of £353,223 (2020 - £261,839) and governance costs of £24,832 (2020 - £2,018 in credit).

Financial review

a. GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

The Covid-19 pandemic that has taken hold in the UK will undoubtedly have an effect on all UK companies in a wide ranging manner, potentially affecting their operational capability, liquidity and financial position.

The trustees have considered the implications and have put in place business continuity plans that should allow the Charitable Company to continue in operation.

The pandemic and Government policy are constantly evolving. Accordingly, we are unable to assess the full potential impact and we are keeping the matter under constant review.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

b. RESERVES POLICY

The cumulative income received by the Charitable Company was higher than the cumulative direct charitable expenditure and governance costs incurred and resulted in a reserves surplus at the end of the period of £954,058 (2020 - £930,170).

The trustees have no outstanding commitments or cash demands which are not adequately covered by existing resources. At this stage the trustees feel that it would be inappropriate to adopt a specific reserves policy. The trustees will keep this under review. In future years, a specific reserves policy may be required.

Structure, governance and management

a. CONSTITUTION

The Charitable Company is registered as a Charitable Company limited by guarantee and was set up by a Memorandum of Association on 11 October 2017.

The Charity is registered as a charity with the Charity Commission (charity number 1176220).

The principal object of the Charitable Company is to raise money and awareness of the global refugee crisis through the Marc Quinn artwork project *Our Blood*.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the Charitable Company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

As part of their training, trustees are given an information pack which includes the Charitable Company's Memorandum and Articles of Association and Charity Commission guidance on Trustees' Responsibilities. All trustees are kept informed at meetings of their duties and obligations under the law in addition to their proper conduct.

The trustees are aware of their obligations to ensure new trustees are properly versed in their role. A similar induction process will be undertaken for new trustees as the Charitable Company develops and will include providing the trustees with additional documentation such as recent annual reports, grant making policy and relevant minutes. The training of trustees will be kept under review.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The trustees meet regularly and decisions are made at trustees' meetings. The day to day administration of the Charitable Company is undertaken by the trustees.

e. RISK MANAGEMENT

The trustees have assessed the major risks to which the Charitable Company is exposed, in particular those related to the operations and finances of the Charitable Company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

a. FUTURE DEVELOPMENTS

The Charitable Company's main objectives for the next financial year are:

- To further increase awareness of the *Our Blood* project and the refugee crisis through promotional and marketing activities.
- To continue fundraising to help fund the project and deliver the exhibition by the revised target date of 2023 (as the initial projection of June 2021 was not achieved due to Covid-19).
- To continue to develop, produce and sell (via the Charitable Company's subsidiary company) sculptures from the *100 Heads* series for fundraising and awareness purposes.

Internal Controls

The trustees have overall responsibility for ensuring that the Charitable Company has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements follow best practice. They are also responsible for the Charitable Company safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of Human Love for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the trustees are required to:

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

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements 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.

The trustees are responsible for the maintenance and integrity of any corporate and financial information included on any website operated by Human Love or its subsidiary. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the trustees, on 31/01/2022, and signed on their behalf by:



D M Simpson
Trustee

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INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HUMAN LOVE

I report on the financial statements of Human Love ("the Charitable Company") for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet and the related notes.

This report is made solely to the Charitable Company's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of the Act. My work has been undertaken so that I might state to the Charitable Company's trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's trustees as a body, for my work or for this report.

RESPECTIVE RESPONSIBILITIES AND BASIS OF REPORT

As the trustees of the Charitable Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

INDEPENDENT EXAMINER'S STATEMENT

Since the Charitable Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

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

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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

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



Signed:

David Davies FCA CTA
Rawlinson & Hunter LLP
Chartered Accountant and Independent Examiner
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Dated:

21 Jan 2022

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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Charitable activities	3	261,702	39	261,741	492,258
Other income	4	52	-	52	12
TOTAL INCOME		261,754	39	261,793	492,270
EXPENDITURE ON:					
Raising funds	5	353,223	-	353,223	261,839
Governance costs	6	24,832	-	24,832	(2,018)
Other	7	-	-	-	(28,814)
TOTAL EXPENDITURE		378,055	-	378,055	231,007
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		(116,301)	39	(116,262)	261,263
NET MOVEMENT IN FUNDS		(116,301)	39	(116,262)	261,263
RECONCILIATION OF FUNDS:					
Total funds brought forward		895,093	7,197	902,290	641,027
TOTAL FUNDS CARRIED FORWARD		778,792	7,236	786,028	902,290

The notes on pages 12 to 19 form part of these financial statements.

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CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021


	Note	£	2021 £	£	2020 £
CURRENT ASSETS					
Stocks	9	1,026,024		1,026,024	
Debtors	10	18,454		32,265	
Cash at bank and in hand		<u>31,547</u>		<u>178,772</u>	
		1,076,025		1,237,061	
CREDITORS: amounts falling due within one year	11	<u>(289,997)</u>		<u>(334,771)</u>	
NET CURRENT ASSETS			<u>786,028</u>		<u>902,290</u>
NET ASSETS			<u>£ 786,028</u>		<u>£ 902,290</u>
FUNDS OF THE GROUP					
Restricted funds	12		7,236		7,197
Unrestricted funds	12		<u>778,792</u>		<u>895,093</u>
TOTAL FUNDS			<u>£ 786,028</u>		<u>£ 902,290</u>

For the year ended 31 March 2021 the Charitable Company was entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the 2006 Act") relating to small companies and the members have not required the Charitable Company to obtain an audit for the year in question in accordance with section 476 of the 2006 Act.

The directors acknowledge their responsibilities for complying with the requirements of the 2006 Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 31/01/22 and signed on their behalf, by:


D M Simpson

The notes on pages 12 to 19 form part of these financial statements.

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CHARITABLE COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

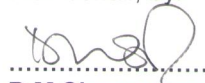
	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Investments	8		1		1
CURRENT ASSETS					
Debtors	10	971,704		939,974	
Cash at bank and in hand		<u>2,803</u>		<u>26,809</u>	
		974,507		966,783	
CREDITORS: amounts falling due within one year	11	<u>(20,450)</u>		<u>(36,614)</u>	
NET CURRENT ASSETS			<u>954,057</u>		<u>930,169</u>
NET ASSETS			<u>£ 954,058</u>		<u>£ 930,170</u>
FUNDS OF THE CHARITY					
Restricted funds	12		7,236		7,197
Unrestricted funds	12		<u>946,822</u>		<u>922,973</u>
TOTAL FUNDS			<u>£ 954,058</u>		<u>£ 930,170</u>

For the year ended 31 March 2021 the Charitable Company was entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the 2006 Act") relating to small companies and the members have not required the Charitable Company to obtain an audit for the year in question in accordance with section 476 of the 2006 Act.

The directors acknowledge their responsibilities for complying with the requirements of the 2006 Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees on 31/03/22 and signed on their behalf, by:



D M Simpson

The notes on pages 12 to 19 form part of these financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 General information

Human Love ("the Charitable Company") is a registered charity (charity number 1176220) limited by guarantee, whose principal object is to raise money and awareness of the global refugee crisis through the Marc Quinn artwork, *Our Blood* ("the Artwork"). The Artwork is being produced by the Charitable Company's wholly owned subsidiary incorporated in England and Wales, Human Love Worldwide Limited ("the subsidiary").

In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charitable Company. The address of the registered office is given on page 1 of these financial statements.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. The Charitable Company constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are prepared on a going concern basis and under the historical cost convention. The financial statements are prepared in Sterling which is the functional currency of the Charitable Company.

A separate Statement Of Financial Activities and Income and Expenditure account for the Charitable Company has not been presented as it has taken advantage of the exemption allowed under section 408 of Companies Act 2006.

The significant accounting policies applied in the preparation of these financial statements are set out below.

1.3 Consolidation

The consolidated financial statements comprise those of the Charitable Company and the Subsidiary, both made up to 31 March 2021. The financial statements are consolidated on a line-by-line basis and eliminate all intra-group transactions and balances.

1.4 Income

All income is recognised once the Charitable Company has entitlement to the income and it is probable that the funds will be received within the Charitable Company or on behalf of the Charitable Company and the monetary value of incoming resources can be measured with sufficient reliability.

Donations are recognised in the financial statements, within donations, when the Charitable Company acts as "Principal" for these projects. A corresponding donation expense is recorded in respect of these donations such that there is no net impact on the Statement of Financial Activities (refer to "Expenditure" below for details).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

Donated services and facilities are included at the value to the Charitable Company where this can be quantified.

Donation income is deferred when the donations are received in advance and specified by the donor as relating to specific accounting periods; or alternatively which are subject to conditions which are still to be met and which are outside the control of the Charitable Company; or when it is uncertain whether the conditions can or will be met. These are deferred to the year to which they relate and released to incoming resources in that year.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from trading activities includes income earned from the sale of artwork (an activity carried out by the Subsidiary). Income is recognised when significant risks and rewards of ownership of the artwork have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charitable Company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.6 Investment in subsidiary

Investment in the Subsidiary is held at cost less provision for impairment, if any.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost includes feasibility studies and design costs, together with all direct costs of the manufacture and production of any projects undertaken.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

At each balance sheet date, stocks and work in progress are assessed for impairment. If stocks or work in progress are impaired, the carrying amount is reduced to its estimated selling price less costs to complete and sell. The impairment loss is recognised immediately in the Profit and Loss Account.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Tax

The Charitable company is exempt within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes.

Current tax represents the amount of tax payable or recoverable in respect of the taxable profit or loss for the current or past reporting periods in relation to the commercial trading activity conducted by the Subsidiary. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax amount is shown under other expenditure in the Profit and Loss Account.

1.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. COMMERCIAL TRADING OPERATIONS

The Charitable Company has appointed the Subsidiary to raise funds through promotional, marketing and fundraising campaigns and to also procure the creation of the artwork, *Our Blood*.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. COMMERCIAL TRADING OPERATIONS (continued)

A summary of the Subsidiary's trading results for the year ended 31 March 2021 and year ended 31 March 2020 are shown below. Unaudited financial statements are filed annually with Companies House.

Profit and loss account

	Year ended 31 March 2021	Year ended 31 March 2020
	£	£
Sales	240,847	464,053
Cost of sales	(44,106)	(133,326)
Media, fundraising and social media awareness expenses	(205,372)	(122,325)
Administrative expenses	(103,091)	(15,973)
Interest receivable and similar income	52	12
Interest payable and similar expenses	(28,479)	(29,847)
Tax recoverable	-	28,814
Result for the year	£ (140,149)	£ 191,408
	2021	2020
	£	£
Net liabilities	£ (168,030)	£ (27,881)

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	20,855	39	20,894	28,205
Sale of artworks	240,847	-	240,847	464,053
	£ 261,702	£ 39	£ 261,741	£ 492,258

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest receivable	<u>£ 52</u>	<u>£ -</u>	<u>£ 52</u>	<u>£ 12</u>

5. COSTS OF RAISING FUNDS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Cost of sales	44,106	-	44,106	133,326
Media, fundraising and social media awareness expense	206,146	-	206,146	121,111
Administrative expenses	102,971	-	102,971	7,402
	<u>£ 353,223</u>	<u>£ -</u>	<u>£ 353,223</u>	<u>£ 261,839</u>

The Charitable Company had no employees during the year under review, excluding directors and trustees. No employee earned in excess of £60,000 during the period.

No trustee received emoluments in the year under review, nor were any expenses paid to the trustees.

6. GOVERNANCE COSTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Accountancy	22,442	-	22,442	28,925
Legal and professional fees	2,390	-	2,390	(30,943)
	<u>£ 24,832</u>	<u>£ -</u>	<u>£ 24,832</u>	<u>£ (2,018)</u>

7. OTHER

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tax recoverable	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>	<u>£ (28,814)</u>

HUMAN LOVE

(A Company Limited by Guarantee)
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Charity number: 1176220

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 April 2020	<u>1</u>
At 31 March 2021	<u>£ 1</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Holding
Human Love Worldwide Limited	100%

9. STOCKS

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Work in progress	<u>£ 1,026,024</u>	<u>£ -</u>	<u>£ 1,026,024</u>	<u>£ -</u>

10. DEBTORS

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Amounts owed by group undertakings	-	971,704	-	939,974
Other debtors	10,728	-	3,451	-
Tax recoverable	<u>7,726</u>	<u>-</u>	<u>28,814</u>	<u>-</u>
	<u>£ 18,454</u>	<u>£ 971,704</u>	<u>£ 32,265</u>	<u>£ 939,974</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. CREDITORS: Amounts falling due within one year

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	207,030	6,897	314,292	26,561
Other taxation and social security	1,473	-	-	-
Other creditors	66,494	5,053	7,721	5,053
Accruals and deferred income	<u>15,000</u>	<u>8,500</u>	<u>12,758</u>	<u>5,000</u>
	<u>£ 289,997</u>	<u>£ 20,450</u>	<u>£ 334,771</u>	<u>£ 36,614</u>

12. STATEMENT OF FUNDS

Group

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Other General funds	<u>895,093</u>	<u>261,754</u>	<u>(378,055)</u>	<u>778,792</u>
Restricted funds				
International Rescue Committee	<u>7,197</u>	<u>39</u>	<u>-</u>	<u>7,236</u>
Total of funds	<u>£ 902,290</u>	<u>£ 261,793</u>	<u>£ (378,055)</u>	<u>£ 786,028</u>

Charity

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Other General funds	<u>922,973</u>	<u>49,332</u>	<u>(25,483)</u>	<u>946,822</u>
Restricted funds				
International Rescue Committee	<u>7,197</u>	<u>39</u>	<u>-</u>	<u>7,236</u>
Total of funds	<u>£ 930,170</u>	<u>£ 49,371</u>	<u>£ (25,483)</u>	<u>£ 954,058</u>

The unrestricted funds represent the general reserves of the Charitable Company which are not restricted for particular purposes. The restricted funds represent the proportion of donation income due to the International Rescue Committee, the global charity partner of the *Our Blood* project.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Current assets	1,068,789	7,236	1,076,025	1,237,061
Creditors due within one year	(289,997)	-	(289,997)	(334,771)
	<u>£ 778,792</u>	<u>£ 7,236</u>	<u>£ 786,028</u>	<u>£ 902,290</u>

14. LEGAL STATUS

Human Love is a Charitable Company limited by guarantee with no share capital. In the event of the Charitable Company being wound up, the sole member, Bronze Orchid Limited, has agreed to pay up to £1 towards:

- payment of those debts and liabilities of the Charitable Company incurred before it ceased to be a member;
- payment of the costs, charges and expenses of winding up, and
- the adjustment of rights of contributors among themselves.

15. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is considered to be the Board of Trustees.

16. CONTINGENT LIABILITIES

The Charitable Company has agreed to make donations to the IRC, its charity partner which in total will amount to a sum equal to the greater of (i) fifty percent of the net donations or (ii) thirty percent of the gross donations collected during the term of the 'Our Blood' project. If these Contributions do not exceed the sum of \$350,000, IRC will be entitled to receive the difference between the sum of \$350,000 and the total value of donations made.

17. RELATED PARTY TRANSACTIONS

The group total within creditors falling due within one year (Note 11) includes an amount of £245,925 (2020 - £276,221) due to Bronze Orchid Limited, an entity which is controlled by M H E Quinn who is a trustee of the Charity. This amount represents funding from Bronze Orchid Limited for the *Our Blood* project. It is unsecured, interest free and repayable on demand.