

Charity registration number: 1181650

Loving Humanity

Annual Reports and Financial Statements

For The Year Ended

31 December 2020

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Reference and Administrative Details

Status	Loving Humanity is a registered charitable organisation incorporated on 21 January 2019.
Governing Document	The company was established under the Charities Act 2011.
Charity registration number	1181650
Board of Trustees	Adele Theresa Cordle Barbara Jane Hunt Amy Grace Peake Alexandra Trinette Whinney
Principal Address	Henley Farmhouse Box Corsham SN13 8BX
Independent Examiner	Carbon Accountancy Limited Chartered Accountants 80-83 Long Lane London EC1A 9ET

Trustees' Report for the year ended 31 December 2020

The trustees present their report and the independently examined financial statements for the year ended 31 December 2020.

The Board of Trustees are satisfied with the performance of the charity during the period and the position on 31st December 2020 and consider that the charity is in a stable position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations. The Trustees have agreed that there will be a strong focus on fundraising for the coming year

The reference and administrative information set out on page 1 forms part of this report and the financial statements comply with current statutory requirements and the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP).

A Review of Charitable Activities Undertaken by the Charity for the financial period 2020

Loving Humanity is passionate about nurturing vulnerable people living in dire poverty and in war zones; those who have nothing and those who have lost everything. We want them to know that women and men on the other side of the world care deeply about their suffering and that they have not been forgotten. We are especially passionate about empowering women both physically and financially and to help them keep their daughters in education, as the first step towards creating equality in their societies. Loving Humanity's core values are education, empowerment and equality.

Our initial inspiration came from a photograph of a refugee camp in Damascus, and our subsequent fundraising was to help those in the Middle East impacted by war, primarily Syrian refugees.

To deliver on this mission, Loving Humanity creates micro-factories on the ground with in-country partners. In Jordan we manufacture washable nappies and washable sanitary pads. In Iraq we have supplied the kit to make disposable sanitary pads. This model is funded by donations made to Loving Humanity and by the potential sales of our washable products, manufactured there, to other NGOs working in the humanitarian field.

After Loving Humanity became aware of the global crisis of over 100 million girls not being able to stay in education after menarche due to the lack of suitable sanitary products, we realised we could have a great impact on humanity by working with other NGOs to set up sanitary pad micro-factories. We developed ready-to-ship, disposable sanitary pad micro-factory kits. Each kit contains all the equipment and raw materials needed for local women to be able to make and distribute pads for their communities and in the process earn a sustainable income. The equipment and associated raw materials are provided at cost, between £10,000-14,000 for the initial set up and first year of operation. These micro-factories are purchased at cost by grassroots organisations. Loving Humanity educates and trains the women working in these micro-factories.

Loving Humanity Projects

Jordan

Amy Peake last travelled to Jordan in January 2020 before the Covid pandemic. Despite the pandemic the nappy factory has continued to operate, although understandably restrictions limited the productivity of the project due to various lockdowns. In 2020 we manufactured 2,802 nappies and 500 washable pad kits. We distributed 2,917 nappies and in December 2019 we exported 250 nappies to a frail care home in the townships in Cape Town, South Africa. We were given VIP shipping rates from Aramex.

Iraq

In February we shipped a disposable pad factory which we donated to the Oxfam Innovation Lab in Iraq. This happened just as the pandemic hit. Despite the closure of borders, the container eventually arrived in Erbil where it is currently stored in Oxfam's warehouse. When travel restrictions lift we will travel to Iraq to implement the project.

Loving Humanity Projects

continued

Kenya

In March 2020 we signed a MoU with WASH Alliance Kenya to act as an umbrella organisation to receive our shipments on behalf of in-country partners. This came about as a result of a working relationship with the Kenyan Ministry of Health.

Following a MoU signed with The Pad Project, based in the USA in 2018, we have been introduced to a Kenyan NGO called Inua Dada. Funded by The Pad Project, they will be receiving two of our disposable pad micro-factories. They are now applying to the Kenyan Association of Manufacturers to apply for import duty exemptions.

We continued to support Polycom who run the micro-factory in Kibera (set up in 2019). We sourced for them a new heat sealer bought from a supplier in Nairobi.

UK

During the summer of 2020 we were advised that Southampton Logistics, the company we used to warehouse our raw material in the UK was in financial difficulty. Due to this concern we moved our stock to Eagle Freight also in Southampton.

In December 2020 we closed down the unit in Bathford which was initially set up for demonstration purposes and to perfect the production line process. All production learning now exists in film format on Vimeo. The equipment at the Bathford unit will be donated to a project in Kenya in 2021.

Income to fund projects

The restrictions of the pandemic meant that we had to cancel any fundraising events and talks planned for the year. As a result our income was down from £147,700 in 2019 to £45,594 this year.

Loving Humanity's Beneficiaries

Period poverty affects mothers and daughters in slums, war zones, refugee camps and a host of other poor communities around the world – and has wide-ranging and long-term consequences. Whilst it is hard to quantify period poverty globally, we know that:

- 1 in 10 girls in Africa miss school because they don't have access to sanitary products, or because there aren't safe, private toilets to use at school
- 50% of school-age girls in Kenya do not have access to sanitary products
- 12% of India's 355m girls and women cannot afford period products

We also know that lack of period pads results in:

- the permanent threat of infections from the use of unhygienic makeshift rags
- loss of dignity and the freedom to go to school or work for those unable to accept or cope with the realities of bleeding through rags during their heaviest days
- mothers and daughters living in shame and suffering the consequences of the taboos of their cultures, including widespread 'period shaming'
- increased risk of sexual abuse, with girls and women trading sex for pads
- girls missing 4-5 days of school every month, with many dropping out of education, a basic human right.
- the shorter the length of time in school, the younger the girls get married. The death in pregnancy rate of a child bride is double that of a woman in her 20's.

Loving Humanity's generous funders

Loving Humanity's funding is made up of:

- small grants from trusts and foundations supporting international projects aimed at poverty alleviation or improvements to health and wellbeing
- large, annual donations from our Angels, a small group of philanthropists giving up to £10,000 each year
- regular, monthly donations from the Heart of Loving Humanity. Our fundraising target for 2020 and beyond is to grow the Heart to 5,000 people giving £5 or more per month. This would secure Loving Humanity's core costs and enable us to scale up the number of projects we support globally

The Charity's Activities Prior to Incorporation

Loving Humanity's activities date back to November 2014, when the charity's founder Amy Peake first travelled to Jordan to explore setting up a sanitary pad factory there.

At this time, UK-based charity The Penny Trust kindly offered to act as a fiscal sponsor, processing all funds raised or spent for Loving Humanity's work. This arrangement continued until January 2019, when Loving Humanity formerly registered as a UK charity. The Penny Trust continued to administer the funds until Loving Humanity was in a position to open a UK bank account, at which point the remaining funds (£5,067.31) held by the Penny Trust were transferred across (on 30/06/2019).

During the period that the Penny Trust was administering the funds, much of the equipment and raw materials for the factories in Jordan and Kenya were purchased. The 2019 accounts therefore reflect the total grants and donations since 2015 and also the assets and stock brought forward from this period.

Brief statement of the charity's policy on reserves

Loving Humanity is a young charity, and as such trustees are aware that reserves are necessary to be able to continue the work of the charity. To date, any funds received have been used by the charity to meet its working capital requirements.

The Trustees declare that they have had regard to the guidance issued by the Charity Commissioners on public benefit and are satisfied that the charity fulfils the criteria. The Trustees have considered their responsibilities and have assessed the main areas of risk, taking action as is necessary to minimize that risk and ensure beneficiaries are at the forefront of the policy.

DECLARATION

Approved by the Board of Trustees on 3 May 2022 and signed on their behalf by:



(Trustee)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

1. Select suitable accounting policies and then apply them consistently;
2. Observe the methods and principles in the Charities SORP;
3. Make judgements and estimates that are reasonable and prudent;
4. State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the CIO will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

I report on the financial statements of the charity for the year ended 31 December 2020, which are set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and SORP2015.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the 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 charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of accounts. The trustees consider that an audit is not required for the year under section 114(2) of the Charity Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £25,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in Ireland (ICAI).

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

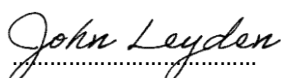
Basis of Independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- Which gives me reasonable cause to believe that in any material respect the requirements:
- To keep accounting records in accordance with section 130 of the 2011 Act; and
- To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
John Leyden FCA

Carbon Accountancy Limited
80-83 Long Lane
London EC1A 9ET

Date: 3 May 2022

Loving Humanity
Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 December 2020

Page 7.

	Notes	Unrestricted £	2020 Total £	2019 Total £
Income				
Donations and legacies		45,594	45,594	147,700
Gift Aid recovery		-	-	609
Other		15,069	15,069	59
Total income	15	60,664	60,664	148,368
Expenditure				
Direct costs	13	64,793	64,793	23,856
Cost of activities in furtherance of charitable activities:	14	4,800	4,800	25,358
Direct support costs	14	5,645	5,645	15,000
Management and administration cost in support of charitable activities	14	12,545	12,545	4,345
Total expenditure		87,783	87,783	68,559
Net (expenditure)/income		(27,119)	(27,119)	79,808
Reconciliation of funds	11			
Total funds brought forward		79,808	79,808	-
Total funds carried forward		52,689	52,689	79,808

The statement of financial activities includes all gains and losses in the period. All income and expenditure derived from continuing activities.

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

	Notes	2020 £	2019 £
Fixed Assets			
Intangible assets		-	-
Tangible assets	5	-	17,288
Total fixed assets		-	17,288
Current Assets			
Stocks	6	57,412	75,454
Debtors	7	2,076	10,822
Cash at Bank & in hand	8	35,354	15,310
Total current assets		94,842	101,586
Creditors			
Amounts falling due within One Year	9	(42,153)	(39,066)
Net Current Assets	10	52,689	62,520
Net Assets		52,689	79,808
Total funds of the charity			
Unrestricted Funds	11	52,689	79,808
		52,689	79,808

For the financial year ended 31 December 2020, the charity was entitled to exemption from audit relating to small charities.

Trustee's responsibilities:

The trustees acknowledge their responsibilities for complying with the requirements of the Charities Act with respect to accounting records and the preparation of accounts.

Approved by the trustees on 3 May 2022 and signed on their behalf by:



.....
Adele Cordle

.....
Barbara Hunt

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

1) Accounting Policies

Summary of significant accounting policies and key accounting estimates

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102) and the Charities Act 2011.

Basis of preparation

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

Income

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objective of the charity.

Restricted funds are those donated for use in particular area of specific purposes, the use of which is restricted to that area or purpose.

Expenditure

Cost of raising funds relate to those specific costs incurred in organising and staging fundraising events and seeking voluntary contributions together with attributable support costs.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs comprise those costs associated with meeting the constitutional and strategic requirements of the charity and the audit fees and costs linked to strategic management of the charity.

Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applied to charitable purpose only.

Tangible fixed assets

These are capitalised if they can be used for more than one year and stated at cost less provision for impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Fixtures, fittings & equipment – 25% straight line basis.

Stock

Stock is stated at the lower of cost and net realisable value. Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Debtors

Debtors and other receivable are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Creditors

Creditors are obligation to pay at the balance sheet date as a result of 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. Creditors are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advance payments for the goods or service it must provide.

1) Accounting Policies (Cont.)

Summary of significant accounting policies and key accounting estimates

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees' continue to adopt the going concern basis in accounting in preparation of financial statements.

2) Net income for the period:	2020 £	2019 £
This is stated after charging:		
Depreciation	-	5,763
Independent examiners fees	1,500	1,750

3) Staff, trustees and other key management personnel

The charity had no paid staff during the period.

The charity trustees were not paid or received any benefits from employment with the Trust in the period. Trustees were re-imbursed for out-of-pocket expenses as detailed below. No charity trustee received payment for professional or other services supplied to the charity.

Transactions with trustees during the period were as follows:

Amy Peake:	2020 £	2019 £
Amount due to the above at the start of the period	17,378	-
Donations made to the charity	-	11,000
Re-imbursed expenses	-	32,989
Amounts repaid	(6,660)	(26,611)
Amount due to the above at the period end	10,718	17,378

4) Taxation

The charity is exempt from income tax as all its income is charitable and is applied for charitable purposes.

5) Fixed assets

<i>Fixtures, fittings and equipment</i>	2020 £
Cost	
Brought forward	23,051
Disposals and transfers to stock in the period	(23,051)
At 31 December 2020	-
Depreciation	
Brought forward	5,763
Disposals and transfers to stock in the period	(5,763)
Charge for the period	-
At 31 December 2020	-
Net book value	
At 31 December 2020	-
At 31 December 2019	17,288

6) Stock

	2020 £	2019 £
Stock for distribution	57,412	75,454
	<u>57,412</u>	<u>75,454</u>

7) Debtors

	2020 £	2019 £
Trade debtors	-	57
Other debtors	2,076	10,765
	<u>2,076</u>	<u>10,822</u>

8) Cash at bank and in hand

	2020 £	2019 £
Cash at bank	35,354	15,310
	<u>35,354</u>	<u>15,310</u>

9) Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	12,597	21,296
Other creditors and accruals	29,556	17,770
	<u>42,153</u>	<u>39,066</u>

10) Particulars of individual funds and analysis of assets and liabilities representing funds:

	2020 £	2019 £
Current assets	94,842	101,586
Current liabilities	(42,153)	(39,066)
Total funds	<u>52,689</u>	<u>62,520</u>

11) Reconciliation of funds

	1 January 2020 £	Income £	Expenses £	31 December 2020 £
Unrestricted funds	79,808	60,664	(87,783)	52,689
Total funds	<u>79,808</u>	<u>60,664</u>	<u>(87,783)</u>	<u>52,689</u>

12) Related parties

Loving Humanity's (LH) charitable activities commenced in November 2014 under the auspices of The Penny Trust (TPT), with TPT operating as agent for LH until its incorporation as a UK registered charity in January 2019. The transactions with TPT reflected in these financial statements are:

	2020	2019
	£	£
Net incoming funds on cessation of agency treated as donations	-	5,068
Donations received since January 2019	-	94,387
Gift Aid receipts	-	596
Purchases of equipment and stock (inc VAT)	-	(109,271)
Deposits paid	-	(5,000)
Income deferred	-	14,220
	<u>-</u>	<u>-</u>

13) Expenditure

	2020	2019
	£	£
Direct costs		
Cost of goods sold	20,884	782
Shipping, storage and duty paid	2,080	10,815
Donations to in-country partners	<u>41,829</u>	<u>12,259</u>
	<u>64,793</u>	<u>23,856</u>

14) Charitable expenditure

	2020	2019
	£	£
Cost of activities in furtherance of charitable activities:		
Project running costs	-	7,672
Travel and subsistence	1,556	9,101
Accountancy fees	3,245	2,791
Legal & professional fees	-	1,032
Depreciation	-	5,763
	<u>4,800</u>	<u>26,359</u>

Support cost of charitable activities:

Direct support costs

Management fees	<u>5,645</u>	<u>15,000</u>
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Management and administration cost in support of charitable activities

Advertising	2,300	435
Bank Fees	514	177
Insurance	744	652
Sundry expenses	365	16
Rent	3,357	2,030
Irrecoverable VAT	4,343	-
Subscriptions	536	601
Telephone and internet	<u>386</u>	<u>434</u>
	<u>12,545</u>	<u>4,345</u>

Total charitable expenditure

	<u>22,991</u>	<u>45,704</u>
Total expenditure	<u>87,783</u>	<u>69,560</u>

15) Income and expenditure

	2020	2019
	£	£
Income		
Grants and donations	45,594	147,700
Sundry income	15,062	57
	<u>60,656</u>	<u>147,757</u>
Direct Expenses		
Cost of goods sold	20,884	782
Shipping, storage and duty paid	2,080	10,815
Donations to in-country partners	41,829	12,259
	<u>64,793</u>	<u>23,856</u>
Other income		
Gift Aid recovery	-	609
Interest receivable	8	2
	<u>8</u>	<u>611</u>
Operating expenses		
Admin costs		
Rent	3,357	2,030
Telephone & internet	386	433
Printing, stationery and sundries	365	16
Advertising	2,300	435
Subscriptions	536	601
Bank Fees	514	177
Insurance	744	652
Depreciation	-	5,763
Accountancy fees	3,245	2,791
Irrecoverable VAT	4,343	-
Legal & professional fees	-	1,032
	<u>15,790</u>	<u>13,930</u>
Charitable expenses		
Project running costs	-	7,672
Travel & subsistence	1,556	8,101
	<u>1,556</u>	<u>15,773</u>
Support costs		
Management fees	5,645	15,000
	<u>5,645</u>	<u>15,000</u>
Total operating expenses	22,991	44,703
Net surplus / (deficit)	<u>(27,119)</u>	<u>79,809</u>