

HUMANKIND CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

HUMANKIND CHARITY

(A company limited by guarantee)

CONTENTS	Page
Reference and administrative details of the Charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 14
Independent auditors' report on the financial statements	15 - 18
Consolidated statement of financial activities	19
Consolidated balance sheet	20 - 21
Company balance sheet	22 - 23
Consolidated statement of changes in equity	24
Company statement of changes in equity	25
Consolidated statement of cash flows	26
Notes to the financial statements	27 - 64

HUMANKIND CHARITY

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees

A Boyt
E Feltin, Vice Chair (Resigned 7 March 2024)
C L Gitcham, Vice Chair (Appointed 7 March 2024)
C G Matthews-Maxwell (Resigned 1 June 2024)
I MacQueen
S Shepherd
S Douglas
B Seth
J Walder
J E Bilbie (Resigned 14 September 2023)
K Bakshi (Appointed 1 June 2024)
I Ayling (Appointed 1 June 2024)
M Hopcroft (Appointed 1 June 2024)
S Moore (Appointed 1 June 2024)
P Najsarek (Appointed 1 June 2024)
D Oum (Appointed 1 June 2024)
C Regan, Chair (Appointed 1 June 2024)

Company Registered Number

01820492

Charity Registered Number

515755

Registered Housing Number

4713

Registered Office

Inspiration House
Unit 22
Bowburn North Industrial Estate
Bowburn
Durham
DH6 5PF

Company Secretary

C Horner (Resigned 13/06/2024)
A Whitley (Appointed 13/06/2024)

Chief Executive Officer

P Townsley

HUMANKIND CHARITY

(A company limited by guarantee)

Independent Auditors

RSM UK Audit LLP
Chartered Accountants
1 St. James' Gate
Newcastle upon Tyne
United Kingdom
NE1 4AD

Bankers

Barclays Bank
49-51 Northumberland Street
Newcastle upon Tyne
NE1 7AF

Solicitors

Womble Bond Dickinson LLP
St Ann's Wharf
112 Quayside
Newcastle upon Tyne
NE1 3DX

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2023 to 31 March 2024. The Annual Report serves the purpose of a Trustees' Report, and a Directors' Report and a Strategic Report under company law. The Trustees confirm that the Annual 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 Housing Statement of Recommended Practice (SORP) 2018 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); however, aspects 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 (FRS102) (effective 1 January 2019) have been adopted to aid comparability with other registered charities'.

Structure, governance and management

Governing document

Humankind Charity (Humankind) is a charity, registered social landlord and company limited by guarantee – incorporated on 30 May 1984 and registered as a charity on 5 November 1984.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees are elected at the Annual General Meeting (AGM). Under the Articles, trustees are to be appointed for a three year term and may serve in office for a maximum of nine years (i.e., 3 terms).

The Trustees reviewed Humankind's Memorandum and Articles in the light of changes to Charity and Company law and made amendments in 2022. Key changes were in relation to the length of term in office.

Humankind is working in line with the charity governance code.

Recruitment, training and appointment of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Board protocol.

Humankind's governing body is a voluntary Board of Trustees, each of whom sits independently and does not represent any other agencies. The Trustees who held office during the 2023/24 financial year and at the time of writing this report are set out on page 1.

Members of the Board of Trustees meet quarterly and do not receive any remuneration. Where claimed, expenses are reimbursed. Travel expenses of £3,443 (2023 - £155) were reimbursed during this financial year.

A subcommittee structure is in operation, which allows for greater scrutiny of our finances (including other corporate functions), governance and innovation.

The sub-committees currently meet quarterly in advance of the Board Meeting and comprise of:

- Resources
- Housing
- Work & Skills
- Quality & Performance

Trustees are recruited using advertisements with potential trustees being invited to complete an application form. Humankind recruits Trustees who are able to offer a wide range of experience for the benefit of the group including business, finance, education and quality. A panel of Trustees, together with the chief executive, meet with applicants to discuss Humankind's aims and objectives, outline their responsibilities as Trustees and ensure that there are no conflicts of interest and to answer any questions that applicants may have.

Successful candidates are then invited to join the Board of Trustees as lay members for a period of induction between three and six months. During this time, they are required to visit a number of Humankind's projects,

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

Recruitment, training and appointment of Trustees (continued)

view presentations and discuss key issues with other Board members and employees of the organisation.

Trustees undertake mandatory training annually, including Information Governance, Safeguarding and Equality Diversity and Inclusion. Regular skills audits and governance reviews also take place to ensure our trustee board has the requisite skills and attributes required to oversee our group and charity.

Once the induction process is complete applicants are invited to join the Board as Trustees. Trustee's training is an ongoing process via courses, presentations, events, visits and Away Days.

The Board of Trustees are responsible for the strategic direction and policies of the organisation and are actively involved in strategy development and business planning. The Trustees monitor compliance with the business plan through oversight of our key performance indicators as set out in the plan. The Trustees also review management accounts on a quarterly basis against financial projections which are produced at least twice yearly to reflect the activities in the business plan.

The Chair of Trustees provides supervision and support for the Chief Executive. Responsibility for the day to day running of the company lies with the Chief Executive along with the Executive Directors – the Executives meet regularly with the Operational Directors who are responsible for the operational delivery units which deliver Humankind services.

Pay policy for key management personnel

Key management personnel pay review is undertaken by the Board of Trustees, who assess and review competencies of those staff members. This review is undertaken on an annual basis and increments are applied following approval by the Board of Trustees. Humankind has a pay policy in place which is available for review by the whole workforce. Our approach to pay, and wider terms and conditions are reviewed annually as outlined in this policy.

Related party relationships

More Time (UK) Limited is a wholly owned subsidiary company which was established to carry on trading activities complementing the work of Humankind Charity. Further details are stated in Note 17 to the financial statements.

E D P Drug & Alcohol Services is a subsidiary undertaking of Humankind Charity. On 1 July 2023, the assets, liabilities and trade of E D P Drug & Alcohol Services were transferred to Humankind Charity for £nil consideration. E D P Drug & Alcohol Services is now a dormant entity and all of E D P Drug & Alcohol Services' activities are carried on in the charity.

During the year, Humankind Support Services Limited a wholly owned subsidiary company has started to trade to generate VAT savings within the group. This will allow the group to reinvest savings into the charity to better meet the people we serve.

Risk Management

The risk management strategy and risk registers are in place to review, evaluate and minimise any risks facing the organisation. The organisational risk register covers Finance, Operational, Governance and Environmental risks and is reviewed quarterly by the full board. Each Board Sub-committee, organisational region and department also has a risk register. Quality systems and audit checks are embedded in our service delivery and we comply with the various audit frameworks including Care Quality Commission (CQC), Ofsted, Investors in People, Matrix and Governance and Financial Standard of the Regulatory Framework.

The principal risks and uncertainties we face include: reduced viability of contracts and continuing cost pressures; the need for a skilled and committed workforce who feel motivated and part of Humankind; ever-changing and demanding inspection standards and demanding contract targets and outcomes. Management strategies include stringent vetting of bids and any potential liabilities they may bring; consulting with staff and implementing a strong induction program as well as reviewing our vision, mission and values with staff; employing an experienced Quality

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2024**

Structure, governance and management (continued)

Risk Management (continued)

team to work with Directors and staff to embed, monitor and address contractual performance and quality standards. Our work going forward into 2024/25 will build on the strong foundations already laid.

Employees with disabilities

The organisation fully complies with the Equality Act 2010. We have achieved Level 2 Disability Confident Employer and display an Equality, Diversity and Inclusion statement of intent on our website. Humankind does not discriminate against employees because of mental or physical disability.

Humankind Charity will offer interview to all candidates who are deemed suitable for a role vacancy regardless of a person's disability status. If any reasonable adjustments are required to allow a person to attend an interview those will be made.

Should a person become disabled during their employment period, Humankind will work with the employee and our third-party occupational health provision, where appropriate, to see what reasonable adjustments can be made to allow continued employment.

Training is available to all employees of Humankind and any reasonable adjustments will be made to ensure that this is accessible to all.

Public benefit

From 1 April 2008, section 4 of the Charities Act 2011 required all charities to meet the legal requirement that their aims be for the public benefit. The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit.

The Charity Commission states that there are two principles to be met in order to show that an organisation's aims are for the public benefit; firstly, there must be an identifiable benefit or benefits and secondly that the benefit must be to the public, or a section of the public. The Trustees are satisfied that the aims and objectives of the charity, and the activities reported on above, meet these principles.

Plans for future periods

2023/24 has been a busy and productive period for Humankind both in terms of the delivery of the first year of the 'Being Human' strategy and substantial planning and preparation for our merge with Richmond Fellowship.

In November 2023 we announced the news of our merger, and preparation has continued with a robust work-stream and project management structure in place to manage the change. Our future plans are focused on 'merging well' to ensure the new organisation is best able to meet the needs of people the new organisation will support. Our aim is therefore a new joined up service offer spanning mental health, drug and alcohol, housing and supported areas, with a new and improved accompanying offer for the people who use our services and the workforce.

In June 2024 we completed the legal merger of the two charities. In October we aim to launch our new mission and identity. We will also introduce an eighteen-month bridging strategy which brings together the best of 'Being Human' and the Richmond Fellowship strategy to guide our new organisation until April 2026 when our full new strategy will be launched. The 'Coming Together' bridging strategy will focus on three things:

1. Delivering quality services that have the people we support at the centre of everything we do – focusing on ensuring our services are the very best they can be.
2. Developing local service provision to enable holistic place-based support so that more people get the support they need – focusing on local partnership and developing and sharing good practice across the new organisation.
3. Coming together to create our new foundations – focusing on 'merging well', developing a new strategy and greater awareness of our fresh mission and identity.

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

Objectives and activities Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Summary of Humankind's areas of work

Humankind designs and delivers services to meet people's complex health and social needs, helping them to build happier and healthier lives. We are a national charity with over 2,000 staff and 292 volunteers. Our specialist services work across the North East, Yorkshire and Humber, the North West, Staffordshire, London and the South. Whilst our main specialism is drug and alcohol support we also specialise in clinical, children, young people and families, health and wellbeing, employment, training and education, criminal justice and offender rehabilitation, gender specific, housing and housing support services.

Our vision is for people of all ages to be safe, building ambitions for the future and reaching towards their full potential. We support local people to create stronger, better-connected communities.

Health and Wellbeing services including drug and alcohol treatment

As part of that vision, and the commitment to supporting communities as well as individual people, we deliver a range of public health and wellbeing services. We are proud to have built up a recognised specialism in drug and alcohol treatment and recovery over many years. However, we understand the importance of intervening early and offering support across their lives so also deliver a range of associated health and wellbeing services including lifestyle and behavioural advice.

Our drug and alcohol treatment and recovery services reduce harm, support behaviour change, promote recovery and offer comprehensive wraparound support for adults and young people.

People who use our services can access brief interventions, harm reduction services and structured treatments for substance misuse issues. We use a range of psychosocial intervention methods and models. They include Motivational Interviewing, Cognitive Behaviour Therapy and Neuro-linguistic Programming, as well as Systemic Families Therapy models, all of which are used across our services.

This year we have increased our focus on partnerships with lived experience led organisations and offer all our service users routes into peer support and mutual aid.

We also provide mental health services including early intervention activity.

Housing and Independent Living

Our Housing and Independent Living services involve Humankind being a Registered Provider, offering housing and property management/services and also services which support vulnerable people to get the right tenancy for them, and to develop the skills to maintain that tenancy.

Young People and Families

Humankind offers support to vulnerable young people and young adults who have a range of different needs, and also to their carers and their wider family.

Criminal Justice

We deliver services to help those who are actively offending, or who have historically offended, to move towards a more positive lifestyle. This includes working in a number of prison establishments across the country.

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

Objectives and activities (continued)

Work & Skills

Humankind offers specialist education and employment services. Our provision gives vulnerable people the valuable opportunity to identify and address the barriers to their employment, to work with employers and to create opportunities which lead to healthier, positive and more stable lives.

Our Impact

Examples of our impact in 2023/24 include:

Organisation-wide:

- Volunteers across our services gave a total of 40,598 hours; an average of 780 hours for each week of the year. The volunteer hours have not been included within the financial statements as a donation as this cannot be reliably measured for accounting purposes.
- A total of 4,227 responses were received from people who access our services, who provided the following feedback:
- People surveyed gave our services an average satisfaction score of 4.78 out of 5
- 99% of people said that they would recommend us to a friend

Work & Skills:

Our Steps for Success Service during 2023/24 achieved:

- 77 learners aged 16-18, and up to 24 (if they have an EHCP) have been enrolled on Humankind's Steps for Success Study Programme
- 40 adult learners have completed a programme to help them better manage their wellbeing
- 46 adult learners have completed a programme to help them develop life skills
- 40 learners had a short engagement session with IAG around Maths courses.
- 15 learners have completed a programme called Money Matters to help them better manage their money and make savings

Independent Living & Housing:

- In 2023/24 our independent living services supported 1,340 people
- 392 people (96%) receiving 'floating support' were successfully supported to obtain accommodation or to keep their existing tenancy when it was under threat
- 630 people were supported to leave our services in a supported, planned way and successfully achieved 92% of their desired outcomes
- 616 were supported to develop confidence and the ability to have greater choice or control
- 532 were supported to maximise their income including navigation of the Benefits system
- 381 were supported to better manage their mental health
- 373 were supported to better manage their physical health
- 62 were supported to comply with statutory orders and/or processes relating to offending behaviour.
- 137 were supported to better manage their overall debt
- 100 people leaving our supported accommodation services were successfully moved-on to more permanent housing
- 82 were supported to participate in training/education
- 49 were supported to obtain employment

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

Objectives and activities (continued)

Drug and Alcohol Recovery:

- 8,030 adults exited our services in a positive, planned way having achieved abstinence or reduced their use – a 13% increase on 2022/23
- On average, 22 people successfully complete treatment from our services drug or alcohol free each day
- 5,130 Naloxone kits were given out to people accessing our Drug & Alcohol services
- 9,122 Hepatitis C tests have been carried out with people accessing our Drug & Alcohol Services

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Strategic report

Achievements and performance

Financial review

Our focus this year has been to further strengthen and consolidate our financial position. We have monitored potential and actual costs closely to ensure that we continued to meet our charitable objectives as well as strengthening our position for the future. We have also been successful in attracting new business to the group which has also contributed to the positive result in the year.

The majority of our funding is still obtained by tendering for the delivery of our specialist services. Our funders include Local Authorities, CCG's, Skills Funding Agency, the Big Lottery, DWP and charitable grants and donations.

Total group income for the year was £101.4m, representing an increase in income of 26% on 2022/23.

The main source of income is substance misuse contracts which represents 83% of total income up from 77% last year. The increase is largely driven by income from new contracts with Bradford and Sheffield City councils. Substance misuse funding mainly comes from Local Authorities and the Office for Health Improvements & Disparities (OHID).

Group expenditure for the year was £100.9m, representing an increase of 27% on 2022/23.

The main area of expenditure is staff costs at £54.9m up from £48.5m in 2022/23. The increase is from a 5% increase for employees on the main Humankind terms and conditions in April 2023 and an increase in staff numbers due to the new contracts starting in Bradford and Sheffield.

The group had a surplus of £0.6m compared to a surplus of £1.3m in the prior year. This is due to an increase in the number of restricted contracts we run.

The fixed asset balance has increased significantly due to the mobilisation of the new contracts along with a buildings move for Forward Leeds which required a fit out for two new buildings. In addition to this, the increase in funding from OHID has meant we have been able to purchase Fibro Scanners for several drug and alcohol contracts and increase the number of pool cars available to operations teams.

Trade debtors have increased by 19%, which is below the increase in income of 26% due to improved credit control reducing the level of trade debtors in the year.

Creditors have increased by £5.1m (28%) on last year due to multiple factors. Trade creditors are £2.1m higher than last year largely due to the timing of the year end payment run and increase in activity. Other taxes and social security credit is much higher as the creation of Humankind Support Services Limited means that the group has a much higher VAT bill. The remaining creditors are broadly in line with expectations.

Total group funds carried forward of £16.3m comprise group unrestricted funds totalling £16.1m and restricted funds totalling £0.2m.

Restricted funds relate to unspent elements of funds received for restricted purposes.

In the year, Humankind purchased services from More Time (UK) Limited to the value of £0.7m, relating to premises cleaning work. This represents 95% of More Time (UK)'s income for the year. More Time (UK) has made a surplus of £0.1m in the year.

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Strategic report (continued)

Financial review (continued)

During the year management charges and other recharges of £25k were charged to E D P Drug and Alcohol Services. E D P Drug and Alcohol Services made a surplus of £97k. On 1 July 2023 all trade and assets of this company were transferred into Humankind Charity.

During the year Humankind Support Services Limited commenced trading. The entity provides health and social services utilising the services of Humankind Charity.

During the year turnover amounted to £12.8m. Costs in connection with the provision of services are incurred by Humankind Charity and recharged.

Costs recharged during the year were equal to the turnover recognised resulting in a breakeven position being recorded in Humankind Support Services Limited.

We have continued to exercise tight financial controls over cash flow and to retain a high level of liquidity that is adequate for us to service our existing commitments and to invest in our growth areas.

Reserves policy

Following the review of our reserves policy, we believe that the target level set continues to be sufficient for the needs of our organisation. Our reserves policy is set at an equivalent to one month of total resources expended.

Such a level of reserves would provide a buffer to enable the organisation to make provisions for the loss of a major service whilst maintaining effective management and administration of the charity. These reserves also provide working capital to enable development of service provision.

Based on the above, target reserves would have needed to have been £8.5m. The actual free reserves balance of £8.5m meets our target. We continue to review the requirements for setting an appropriate reserves policy, to ensure we are able to continue to meet our group aspirations in the future.

Following the merger with Richmond Fellowship the reserves policy, along with other policies, are under review.

Investment policy

Humankind strives to produce the best financial return with a minimal level of risk and will not invest funding in financial instruments that may result in a loss of capital.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Group and Charity have 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.

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Strategic report (continued)

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Group carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Charity's equal opportunities policy, the Charity has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Charity's offices.

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Strategic report (continued) Greenhouse gas emissions, energy consumption and energy efficiency action

UK Greenhouse gas emissions and energy use data for the period 1 April 2023 to 31 March 2024.

Greenhouse gas emissions by year (tonnes CO₂e)

Emissions Source	2022/23	2023/24	Share (%)	Annual Change (%)
Fuel combustion: Natural gas	394	406	35%	3%
Purchased electricity	314	364	32%	16%
Fuel combustion: Transport	284	381	33%	34%
Total emissions (tCO₂e)	992	1,151	100%	16%
Revenue (£m)	81	101		25%
Intensity: (tCO₂e per £m)	12.23	11.39		-8%

Greenhouse gas emissions by scope (tonnes CO₂e)

Emissions Source	2022/23	2023/24	Share (%)	Annual Change (%)
Scope 1: Natural gas and company-operated transport	406	440	38%	8%
Scope 2: Electricity	288	335	29%	16%
Scope 3: Losses from electricity distribution and transmission and privately owned vehicles	298	376	33%	26%
Total emissions (tCO₂e)	992	1,151	100%	16%

Energy consumption by year (kWh)

Emissions Source	2022/23	2023/24	Share (%)	Annual Change (%)
Natural gas	2,157,024	2,216,716	41%	3%
Electricity	1,487,706	1,618,124	30%	9%
Transport fuel	1,148,204	1,576,934	29%	37%
Total consumption (kWh)	4,792,934	5,411,774	100%	13%

This information was collected and reported in line with the methodology set out in the UK Government's Environmental Reporting Guidelines, 2019.

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary. This approach captures emissions associated with the operation of all buildings such as warehouses, offices and manufacturing sites, plus company-owned and leased transport. This report covers UK operations only, as required by SECR for Non-Quoted Large Companies.

The GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2023 have been used calculate the SECR disclosures. The reporting period is April 2023 to March 2024, in accordance with the financial reporting period.

During 2023-24, Humankind has continued to replace less energy efficient lighting with LED lighting in office refurbishments and as part of ongoing maintenance wherever practically possible. Humankind continues to support hybrid working in many posts which reduced energy consumption in Humankind premises though

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Strategic report (continued) Greenhouse gas emissions, energy consumption and energy efficiency action (continued)

reduced heating, lighting, and reduced use of electrical equipment. All staff have access to software for holding online meetings and this is encouraged to reduce business travel. Staff are also encouraged to consider travel by rail for longer distances to reduce the use of private cars. To further reduce the use of private cars some services have purchased small economical pool cars to use rather than private vehicles.

Humankind's greenhouse gas emissions, reportable under SECR in 2023-24 were 1,151 tonnes CO₂e. These include the emissions associated with electricity consumption, natural gas consumption and business travel in company and private vehicles by employees. Humankind's greenhouse gas emissions were 16% higher than in 2022/23.

In accordance with the legislation an intensity ratio has been calculated. This expresses the business' annual emissions in relation to a quantifiable factor or normaliser. The intensity ratio calculated for Humankind is 11.39 tonnes CO₂e per £m revenue which is 8% lower than last year.

Value for money statement

Humankind is committed to delivering Value for Money (VfM) as an integral part of its business strategy.

The aims and objectives of VfM will be incorporated within each Service Delivery Units (SDU) Business Plans and will be imbedded across all areas of service delivery.

It is our aim to continually assess opportunities to enhance our services and actively involve our employees, service users and partners to achieve value for money.

We will continually seek value by sourcing the best materials at the best price. We will always look to make our services work more efficiently and effectively.

To meet our commitment to achieving VfM, Humankind has set itself the following objectives:

- Integrate VfM principles throughout the organization
- Incorporate VfM within everything we do
- Avoid duplication and simplify processes
- Identify ineffective processes and implement appropriate changes
- Adopt recognised good practices to identify VfM opportunities and procedures
- Seek innovative methods to achieve VfM both in value and savings
- Respond to opportunities that enhance our VfM objectives
- Ensure all staff recognise how their actions impacts on VfM
- Promote VfM across our services, with service users, partners and Boards
- Build strong partnerships with suppliers and contractors
- Seek continuous improvement to achieve efficiency

Value for Money Metrics as at 31 March 2024

		2024	2023
Metric 1	Reinvestment %	29.0%	9.4%
Metric 2A	New supply delivered % (social housing units)	3.5%	2.8%
Metric 2B	New supply delivered % (non-social housing units)	N/A%	N/A%
Metric 3	Gearing %	-0.4%	-%
Metric 4	EBITDA MRI interest cover %	6,994%	7,494%
Metric 5	Headline social housing cost per unit	£12,031	£9,563
Metric 6A	Operating margin % (social housing lettings only)	3.0%	18.4%
Metric 6B	Operating margin % (overall)	0.7%	1.8%
Metric 7	Return on capital employed	3.67%	7.16%

HUMANKIND CHARITY

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Strategic report, Annual report and the financial statements in accordance with applicable law and regulations.

Company law and social housing regulation requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions. They must also disclose, with reasonable accuracy and at any time, the financial position of the group, to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the group, and as such, taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that the Trustees' report is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2018.

Financial statements are published on the group's website in accordance with the legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Group has made qualifying third party indemnity provisions for the benefit of its Trustees during the year. These provisions remain in force at the reporting date.

Disclosure of information

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that;

- So far as the Trustee is aware, there is no relevant audit information of which the charities auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the group's auditors are aware of that information

Approved by order of the members of the board of Trustees on 24 September 2024 and signed on their behalf by

Caroline L Gitsham

C L Gitsham
(Vice Chair of Trustees)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUMANKIND CHARITY

Opinion

We have audited the financial statements of Humankind Charity (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2024 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUMANKIND CHARITY

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUMANKIND CHARITY

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006, Charities Act 2011, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are Health and Safety at Work Act 1974, Regulator of Social Housing Regulatory Standards (both Economic and Consumer standards) and Care Quality Commission Standards. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and substantive tests of detail to ensure that revenue was appropriately recognised in the year.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUMANKIND CHARITY

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lucy Robson

LUCY ROBSON (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle Upon Tyne
NE1 4AD

Date 26/09/24

HUMANKIND CHARITY

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	75,869	6,875	82,744	65,107
Charitable activities	4	57,276,634	43,746,972	101,023,606	80,191,936
Other trading activities	5	45,852	-	45,852	147,406
Investments	6	296,300	-	296,300	124,188
Total income		57,694,655	43,753,847	101,448,502	80,528,637
Expenditure on:					
Raising funds	7	665,767	-	665,767	471,894
Charitable activities	8	56,091,586	44,155,370	100,246,956	78,878,970
Total expenditure		56,757,353	44,155,370	100,912,723	79,350,864
Fair value gain/(losses) on investments	17	15,264	-	15,264	(12,592)
Net income/(expenditure)		952,566	(401,523)	551,043	1,165,181
Transfers between funds	24	(357,575)	357,575	-	-
Other recognised gains/(losses):					
Actuarial gains on defined benefit pension schemes	28	23,000	-	23,000	117,000
Net movement in funds		617,991	(43,948)	574,043	1,282,181
Reconciliation of funds:					
Total funds brought forward		15,485,582	261,110	15,746,692	14,464,511
Total funds carried forward		16,103,573	217,162	16,320,735	15,746,692

HUMANKIND CHARITY
(A company limited by guarantee)

REGISTERED NUMBER: 01820492

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note	£	2024 £	£	2023 £
Fixed assets					
Intangible assets	15		-		-
Tangible assets	16		14,141,333		10,339,084
Investments	17		2,002,672		1,987,408
			<u>16,144,005</u>		<u>12,326,492</u>
Current assets					
Stocks	18	102,302		111,139	
Debtors	19	17,153,987		14,550,036	
Cash at bank and in hand		10,408,637		10,741,463	
			<u>27,664,926</u>	<u>25,402,638</u>	
Creditors: amounts falling due within one year	20	(23,588,633)		(18,462,524)	
Net current assets			<u>4,076,293</u>		<u>6,940,114</u>
Total assets less current liabilities					
			<u>20,220,298</u>		<u>19,266,606</u>
Creditors: amounts falling due after more than one year	21		(3,258,078)		(2,708,277)
Provisions for liabilities	23		(641,485)		(788,637)
Net assets excluding pension liability			<u>16,320,735</u>		<u>15,769,692</u>
Defined benefit pension scheme liability	28		-		(23,000)
Total net assets			<u><u>16,320,735</u></u>		<u><u>15,746,692</u></u>
Group funds					
Restricted funds	24		217,162		261,110
Unrestricted funds					
Unrestricted funds excluding pension asset	24	16,103,573		15,508,582	
Pension reserve	24	-		(23,000)	
Total unrestricted funds	24		<u>16,103,573</u>		<u>15,485,582</u>
Total funds			<u><u>16,320,735</u></u>		<u><u>15,746,692</u></u>

HUMANKIND CHARITY
(A company limited by guarantee)

REGISTERED NUMBER: 01820492

CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

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

The financial statements were approved and authorised for issue by the Trustees on 24 September 2024 and signed on their behalf by

Caroline L Gitsham

C L Gitsham
(Vice Chair of Trustees)

HUMANKIND CHARITY
(A company limited by guarantee)

REGISTERED NUMBER: 01820492

COMPANY BALANCE SHEET AS AT 31 MARCH 2024

	Note	£	2024 £	£	2023 £
Fixed assets					
Intangible assets	15		-		-
Tangible assets	16		14,141,333		10,294,579
Investments	17		2,002,674		3,020,239
			<u>16,144,007</u>		<u>13,314,818</u>
Current assets					
Stocks	18	98,981		106,082	
Debtors	19	16,497,249		14,435,841	
Cash at bank and in hand		10,286,567		6,979,662	
			<u>26,882,797</u>	<u>21,521,585</u>	
Creditors: amounts falling due within one year	20	(22,777,235)		(17,394,701)	
Net current assets			<u>4,105,562</u>		<u>4,126,884</u>
Total assets less current liabilities					
			<u>20,249,569</u>		<u>17,441,702</u>
Creditors: amounts falling due after more than one year	21		(3,258,078)		(2,708,277)
Provisions for liabilities	23		(641,485)		(551,015)
Net assets excluding pension liability			<u>16,350,006</u>		<u>14,182,410</u>
Defined benefit pension scheme liability	28		-		(23,000)
Total net assets			<u>16,350,006</u>		<u>14,159,410</u>
Charity funds					
Restricted funds	24		211,926		255,943
Unrestricted funds					
Unrestricted funds excluding pension liability	24	16,138,080		13,926,467	
Pension reserve	24	-		(23,000)	
Total unrestricted funds	24		<u>16,138,080</u>		<u>13,903,467</u>
Total funds			<u>16,350,006</u>		<u>14,159,410</u>

HUMANKIND CHARITY
(A company limited by guarantee)

REGISTERED NUMBER: 01820492

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

As permitted by s408 of the Companies Act 2006, the company has not presented its own statement of financial activity and related notes as it prepares group accounts. The company's net expenditure after investment gains and net movement in funds for the period was £2,190,596 (2023: £702,394) of which £2,234,613 (2023: £791,221) was unrestricted and £44,017 deficit (2023: £88,827 deficit) was restricted.

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

The financial statements were approved and authorised for issue by the Trustees on 24 September 2024 and signed on their behalf by:

Caroline L Gitsham

C L Gitsham
(Vice Chair of Trustees)

HUMANKIND CHARITY
(A company limited by guarantee)

REGISTERED NUMBER: 01820492

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Share capital £	Accumulated restricted funds £	Accumulated unrestricted funds £	Total equity £
Balance at 1 April 2022	-	295,947	14,168,564	14,464,511
Year ended 31 March 2023:				
Net movement in funds	-	(34,837)	1,317,018	1,282,181
Balance at 31 March 2023	-	261,110	15,485,582	15,746,692
Year ended 31 March 2024:				
Net movement in funds	-	(43,948)	617,991	574,043
Balance at 31 March 2024	-	217,162	16,103,573	16,320,735

HUMANKIND CHARITY
(A company limited by guarantee)

REGISTERED NUMBER: 01820492

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Share capital £	Accumulated restricted funds £	Accumulated unrestricted funds £	Total equity £
Balance at 1 April 2022	-	258,650	13,198,366	13,198,366
Year ended 31 March 2023:				
Net movement in funds	-	(88,827)	791,221	702,394
Balance at 31 March 2023	-	255,943	13,903,467	14,159,410
Year ended 31 March 2024:				
Net movement in funds	-	(44,017)	2,234,613	2,190,596
Balance at 31 March 2024	-	211,926	16,138,080	16,350,006

HUMANKIND CHARITY

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash from operating activities	26	4,892,164	3,760,945
Cash flows from investing activities			
Investment income		296,300	124,188
Purchase of tangible fixed assets		(5,521,290)	(1,942,461)
Proceeds on disposal of tangible assets		-	40,617
Purchase of listed investments		-	(2,149,028)
Proceeds from sale of investments		-	149,028
Net cash used in investing activities		(5,224,990)	(3,777,656)
Cash flows from financing activities			
Repayments of other borrowings		-	(223,508)
Net cash from/(used in) financing activities		-	(223,508)
Changes in cash and cash equivalents in the year		(332,826)	(240,219)
Cash and cash equivalents at the beginning of the year		10,741,463	10,981,682
Cash and cash equivalents at the end of the year		10,408,637	10,741,463

The notes on pages 27 to 64 form part of these financial statements

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies

1.1 General information

Humankind Charity (the "Company") is a company limited by guarantee and is registered and incorporated in England and Wales. The registered office is Inspiration House, Unit 22, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The groups objectives are included in the trustees report.

1.2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the Housing SORP 2018 "Statement of Recommended Practice for Registered Housing Providers" and they comply with the Accounting Direction for Private Registered Providers of Social Housing 2022, and under the historical cost convention.

The financial statements have been prepared in accordance with Housing SORP 2018; however, aspects of the Charities SORP (FRS102) have been adopted to aid comparability with other registered charities'. These include:

- The Consolidated Statement of Financial Activities in place of the Consolidated Statement of Comprehensive Income.
- Income and expenditure notes to include reference to unrestricted and restricted expenditure
- Statement of funds
- Analysis of net assets between funds

Humankind Charity 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.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Reduced disclosure

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – presentation of a statements of cash flow and related notes and disclosures;

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.3 Basis of consolidation

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

All financial statements are made up to 31 March 2024. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The transfer of the trade and assets of E D P Drug & Alcohol Services on 1 July 2023 met the definition a group reconstruction. For such a trade and assets purchase, the acquired assets and liabilities are recognised at their book values, as reported in the selling company immediately before the acquisition- no adjustments are made to reflect fair values at the acquisition date, or to recognise any new identifiable assets or liabilities, at the date of the acquisition, that would otherwise be recognised under the acquisition accounting method. No goodwill is recognised. The only adjustments that are made are to align accounting policies. In accordance with generally accepted accounting practice under FRS 102, for the application of merger accounting principles to a trade and assets acquisition, the results of the acquired business are accounted for prospectively from the date of the acquisition.

1.4 Going concern

At time of approving the financial statements, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group continues to meet all its objectives under current contracts and there have been no indicators of any claw backs.

The financial statements have been prepared on a going concern basis as the Trustees believe that there are no other material uncertainties.

1.5 Income

Voluntary income is received by way of donations and is included in full in the Statement of Financial Activities when received.

Income from charitable activities includes income recognised as earned where the related services are provided under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in funding is subject to specific performance conditions. Grant income included in this category provides funding to support activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Grants, where entitlement is not conditional on the delivery of a specific performance by the group, are recognised when the group becomes unconditionally entitled to the grant.

Income from other trading activities is revenue from contracts for the provision of professional services and is recognised at the fair value of the consideration received or receivable for the provision of services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

The company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.5 Income (continued)

Investment income is recognised on a receivable basis. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Property rental income represents all rental and service charge receivable when it falls due and amortised capital grant.

1.6 Expenditure

Expenditure is recognised on an actual basis when a liability is incurred. Expenditure is net of recoverable VAT where conditions for recovery are met. All other expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprises the support costs from central functions associated with attracting voluntary income.

Charitable group expenditure comprises those costs incurred by the group 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable group activities. Governance costs are those incurred in connection with administration of the charitable group and compliance with constitutional and statutory requirements.

Support costs are those functions that assist the work of the group but do not directly undertake charitable activities. Support costs include governance, finance, information technology, human resources and quality. These costs have been allocated to expenditure on charitable activities.

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

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.7 Taxation

Humankind Charity and E D P Drug & Alcohol Services are registered charities and as such are exempt from tax on income and gains falling within Chapter 3 Part II Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable object. The Group's trading subsidiaries is liable to corporation tax on their trading profits.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.8 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, which is 5 years.

1.9 Tangible fixed assets and depreciation

Social housing properties for letting

Housing properties are properties for the provision of social housing and are principally properties available for rent and shared ownership. Completed housing and shared ownership properties are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, and expenditure incurred during the development period.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

Freehold housing properties are depreciated by component on a straight-line basis over the estimated UELs of the component categories.

UELs for identified components are as follows:

Component	
Structure	75 years
Roof	45 years
Kitchen	20 years
Bathroom	30 years
Heating system	30 years
Windows	30 years
Electrical	30 years
Doors	20 years
Boiler	15 years

Freehold land is not depreciated.

Other tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.9 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 2% - 50% on cost
Long term leasehold property	- in line with lease agreement
Motor vehicles	- 20% - 33.3% on cost
Fixtures and fittings	- 20% - 50% on cost
Computer equipment	- 20% - 33.3% on cost

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Social housing grant

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised over the estimated useful life of the asset structure, under the accruals model.

On disposal of properties which have been wholly or partly funded by Social Housing Grant, the grant is recycled as required by the Homes and Communities Agency and will be utilised against future approved projects.

Recycling of capital grants

Where Social Housing Grant is recycled, as described above, the Social Housing Grant is credited to a fund which is shown as a creditor until used to fund the acquisition of new properties.

Impairments

Tangible fixed assets are assessed at each year end to assess whether or not there is any evidence that an asset may be impaired. If there is evidence of impairment, an impairment loss is recognised in the Statement of Financial Activities immediately.

Major Repairs

Major repairs are capitalised to the extent that they relate to the replacement or restoration of a separately identified property component or where the expenditure results in the enhancement of the economic benefits of the assets such as an increase in rental income, a reduction in future maintenance costs or a significant extension to its useful economic life. In any other circumstances repairs are charged to the Statement of Financial Activities as incurred.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.10 Fixed asset investments

Listed investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities. Transaction costs are expensed as incurred.

Investments in subsidiaries are stated at cost less provision for impairment.

1.11 Stocks

Stocks is valued at the lower of cost and net realisable value.

1.12 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.

1.13 Provisions

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

1.14 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.14 Financial instruments (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1.15 Operating leases

Rentals paid under operating leases, including any lease incentives received, are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

1.16 Pensions

The group operates a number of defined contribution pension schemes. The group has no liability under the scheme other than payment of those contributions to a separately administered fund. Costs are charged to the Statement of Financial Activities as incurred. The group also has two members of staff who are members of the West Yorkshire Pension Fund, a Local Government Pension Scheme (LGPS). This is a defined benefit scheme. The group has obtained an LGPS valuation as at 31 March 2023 and at the scheme exit date. See note 28 for further details.

The LGPS is a funded scheme multi-employer scheme. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each reporting date. The amounts charged to net income are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised as other comprehensive income.

Actuarial gains and losses are recognised immediately as other comprehensive income.

The LGPS assets are managed by the scheme trustees at scheme level, and the determination / allocation of assets to each individual employer in the scheme is managed by the scheme actuary. The assets are allocated to each employer for accounting purposes based on the valuation of the assets at the latest triennial valuation as adjusted for subsequent contributions received from the employer, asset returns and benefit payments made (either on a cash basis or actuarial basis).

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting policies (continued)

1.16 Pensions (continued)

benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

1.17 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised when employees accept the company's offer to those benefits. Termination benefits provided as a result of the termination are recognised when the company has communicated its plan of termination to the affected employees.

1.18 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 Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group 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.

Investment income, gains and losses are allocated to the appropriate fund.

1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Critical judgements and estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charitable group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 has been used by the actuary in valuing the pensions liability at 31 March 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. In the current year the actuary has made assumptions in respect of CPI inflation and salary increases.

Useful economic lives of tangible assets

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of the asset. An estimate of the useful life of the assets is detailed in the tangible fixed assets and depreciation accounting policy.

Dilapidations

The dilapidation provision is assessed on a lease-by-lease basis. Dilapidation costs are provided for at £15 per square foot unless otherwise specified in the lease. The provision accrues over the term of the lease, taking due account of any upcoming break clauses.

Residual value of social housing properties

It is considered that the estimate of residual value of social housing properties has a significant impact on the carrying amount of social housing assets. The Group consider the residual value of social housing property structure to be cost.

Critical areas of judgment:

Classification of housing property

It is the Group's opinion that while rental income is received from the provision of social housing, the primary purpose is to provide social benefits. The provision of social housing is therefore akin to supplying a service and so property held for this purpose has been accounted for as property, plant and equipment. This treatment is consistent with housing associations that have chosen the alternative option of applying the revised UK GAAP (FRS 102), which contains explicit provisions for this scenario and arrives at a similar conclusion; it is also consistent with guidance contained in the Statement of Recommended Practice: Accounting by Registered Social Housing Providers 2018 (the SORP).

Definition of operating surplus/(deficit)

It is the Group's opinion that all items included in the particulars of income and expenditure from social housing, note 14b, are representative of activities that would normally be regarded as 'operating'.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

3. Income from donations and legacies

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Donations	75,869	6,875	82,744	65,107
Total 2023	42,688	22,419	65,107	

4. Income from charitable activities

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Substance misuse	43,145,340	40,285,738	83,431,078	62,366,244
Criminal justice	4,567,409	384,139	4,951,548	4,982,148
Work and skills	1,261,197	1,251,447	2,512,644	4,168,255
Community services	1,870,463	1,193,060	3,063,523	2,513,632
Independent living services	2,604,133	476,082	3,080,215	2,799,510
Housing	3,405,994	26,430	3,432,424	2,994,189
Premises	194,951	-	194,951	194,951
Commercial property	30,040	-	30,040	52,812
Central support services	197,107	130,076	327,183	120,195
Total 2024	57,276,634	43,746,972	101,023,606	80,191,936
Total 2023	47,180,854	33,011,082	80,191,936	

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

5. Income from other trading activities

Income from non charitable trading activities (externally generated)

	Unrestricted Funds 2024 £	Total funds 2024 £	Total funds 2023 £
More Time (UK) Limited	45,852	45,852	147,406
	<hr/> 45,852	<hr/> 45,852	
Total 2023	<hr/> <hr/> 147,406	<hr/> <hr/> 147,406	

6. Investment income

	Unrestricted Funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest receivable	240,328	240,328	107,438
Income from listed investments	55,972	55,972	16,750
	<hr/> 296,300	<hr/> 296,300	<hr/> 124,188
Total 2023	<hr/> <hr/> 124,188	<hr/> <hr/> 124,188	

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

7. Expenditure on raising funds

	Unrestricted Funds 2024 £	Total funds 2024 £	Total funds 2023 £
More Time (UK) Limited:			
Staff costs	591,823	591,823	430,437
Audit fees	9,375	9,375	6,350
Other costs	64,569	64,569	35,107
	<u>665,767</u>	<u>665,767</u>	<u>471,894</u>
Total 2023	<u>471,894</u>	<u>471,894</u>	

8. Analysis of expenditure on charitable activities

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Substance misuse	41,544,638	40,318,886	81,863,524	61,129,600
Criminal justice	4,128,362	381,504	4,509,866	4,240,690
Work and skills	1,356,774	1,598,814	2,955,588	4,071,201
Community services	1,911,262	1,194,815	3,106,077	2,424,225
Independent living services	2,009,377	501,971	2,511,348	2,352,833
Housing	3,329,161	2,854	3,332,015	2,429,900
Premises	233,858	-	233,858	142,041
Commercial property	64,354	26,450	90,804	86,156
Central support services	1,513,800	130,076	1,643,876	2,002,324
Total 2024	<u>56,091,586</u>	<u>44,155,370</u>	<u>100,246,956</u>	<u>78,878,970</u>
Total 2023	<u>45,724,512</u>	<u>33,154,458</u>	<u>78,878,970</u>	

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

9. Support cost classification

	Support costs 2024 £	Governance costs 2024 £	Total 2024 £	Total 2023 £
Finance, legal and IT	2,594,894	-	2,594,894	2,768,467
HR and Training (L & D)	1,278,866	-	1,278,866	995,816
Business development and communications	2,497,423	-	2,497,423	1,538,515
Governance	-	1,653,927	1,653,927	1,520,347
	<u>6,371,183</u>	<u>1,653,927</u>	<u>8,025,110</u>	<u>6,823,145</u>

	Activities directly undertaken 2024 £	Support and governance costs 2024 £	Total Funds 2024 £	Total Funds 2023 £
Substance misuse	75,382,615	6,480,909	81,863,524	61,129,600
Criminal justice	4,143,127	366,739	4,509,866	4,240,690
Work and skills	2,715,242	240,346	2,955,588	4,071,201
Community services	2,853,493	252,584	3,106,077	2,424,225
Independent living services	2,249,086	262,262	2,511,348	2,352,833
Housing	3,061,058	270,957	3,332,015	2,429,900
Premises	214,841	19,017	233,858	142,041
Commercial property	83,420	7,384	90,804	86,156
Central support services	1,518,964	124,912	1,643,876	2,002,324
Total 2024	<u>92,221,846</u>	<u>8,025,110</u>	<u>100,246,956</u>	<u>78,878,970</u>
Total 2023	<u>72,055,825</u>	<u>6,823,145</u>	<u>78,878,970</u>	

Support and governance costs have been allocated to expenditure on charitable activities, in proportion to the value of activities directly undertaken.

10. Auditors' remuneration

	2024 £	2023 £
Audit services – statutory audit of parent and consolidated accounts	51,440	35,300
Other services:-		
Audit services – statutory audit of associates of the Company	20,375	6,350
Taxation compliance services	4,000	1,350
All other non-audit services	13,850	5,000

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

11. Net movement in funds

Net movement in funds is stated after charging:

	2024	2023
	£	£
Depreciation on housing assets	664,490	955,387
Depreciation on non-housing assets	755,734	-
Impairment	-	176,652
Loss/(profit) on disposal of fixed assets	298,817	(33,950)
Operating lease rentals – Land and buildings	<u>2,219,789</u>	<u>2,051,901</u>

12. Staff costs

	Company	Company	Group	Group
	2024	2023	2024	2023
	£	£	£	£
Wages and salaries	46,659,373	37,264,220	48,329,901	43,032,161
Social security costs	4,308,121	3,277,050	4,419,476	3,758,195
Redundancy payments	95,439	117,767	95,439	117,767
Contribution to defined contribution pension schemes	1,996,080	1,383,266	2,051,307	1,609,278
Operating costs of defined benefit pension schemes	-	17,000	-	17,000
	<u>53,059,013</u>	<u>42,059,303</u>	<u>54,896,123</u>	<u>48,534,401</u>

The average number of persons employed during the year was as follows:

	Company	Company	Group	Group
	2024	2023	2024	2023
	No	No	No	No
Charitable activities	1,592	1,188	1,592	1,405
Support activities	161	139	161	139
Generating funds	-	-	78	54
	<u>1,753</u>	<u>1,327</u>	<u>1,831</u>	<u>1,598</u>

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No	No
In the band £60,001 - £70,000	16	9
In the band £70,001 - £80,000	5	5
In the band £80,001 - £90,000	13	2
In the band £90,001 - £100,000	2	3
In the band £100,001 - £110,000	-	4
In the bank £110,001 - £120,000	4	-
In the band £120,001 - £130,000	3	-
In the band £130,001 - £140,000	-	1
In the band £170,001 - £180,000	1	-

Total employment benefits paid by the Group in the year in respect of the key management personnel, which is deemed to be made up of the trustees plus the CEO and Executive Directors, were £763,495 (2023: £986,929).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £3,443 were reimbursed or paid directly to Trustees (2023 - £155).

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

14a. Social housing and social housing activities

	2024		2023		
	Operating	Operating	Operating	Operating	Operating
	Turnover	Costs	Surplus/(Deficit)	Turnover	Costs
	£	£	£	£	£
Social housing activities					
Income and expenditure from lettings	3,432,424	(3,332,015)	100,409	2,994,189	(2,429,900)
Other social housing activities					
Independent living services	3,091,172	(2,511,348)	579,824	2,799,510	(2,352,833)
Total	6,523,596	(5,843,363)	680,233	5,793,699	(4,782,733)

HUMANKIND CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14b. Particulars of income and expenditure from social housing

	2024	2023
	£	£
Income from social housing letting activities		
Rent receivable	1,275,908	1,182,081
Service charge income	2,342,228	2,095,284
	<hr/>	<hr/>
Gross rent receivable	3,618,136	3,277,365
Rent losses from voids	<u>(384,186)</u>	<u>(472,307)</u>
Net rents receivable	3,233,950	2,805,058
Amortised government grants	162,867	114,225
Other income	<u>35,607</u>	<u>74,906</u>
	<hr/>	<hr/>
Total income from social housing letting activities	3,432,424	2,994,189
Expenditure on social housing letting activities		
Management	488,141	446,663
Other costs	2,140,496	1,660,334
Maintenance	522,513	291,919
Depreciation	<u>180,865</u>	<u>30,984</u>
	<hr/>	<hr/>
Total expenditure on social housing letting activities	<u>3,332,015</u>	<u>2,429,900</u>
Operating surplus on social housing letting activities	<u>100,409</u>	<u>564,289</u>
	<hr/>	<hr/>
Accommodation in Management		
Supported housing - No. of units	<u>283</u>	<u>286</u>
	<hr/>	<hr/>

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

15. Intangible assets

Group

	Goodwill £	Negative goodwill £	Total £
Cost			
At 1 April 2023 and 31 March 2024	42,000	(1,032,828)	(990,828)
Amortisation			
At 1 April 2023 and 31 March 2024	42,000	(1,032,828)	(990,828)
Net book value			
31 March 2023 and 31 March 2024	-	-	-

HUMANKIND CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Tangible fixed assets

Group

	Freehold property £	Long-term leasehold property £	Motor Vehicles £	Fixture and fittings £	Computer equipment £	Social housing properties held for letting £	Total £
Cost or valuation							
At 1 April 2023	2,383,668	3,857,379	148,357	2,341,606	689,330	5,793,775	15,214,115
Additions	-	1,861,815	154,001	1,526,865	60,355	1,918,254	5,521,290
Disposals	-	(1,007,686)	-	(406,691)	-	(173,079)	(1,587,456)
At 31 March 2024	2,383,668	4,711,508	302,358	3,461,780	749,685	7,538,950	19,147,949
Depreciation							
At 1 April 2023	559,927	2,360,075	128,195	796,100	66,357	964,377	4,875,031
Charge for the year	68,705	393,213	16,460	654,919	84,355	202,572	1,420,224
On disposals	-	(969,079)	-	(236,848)	-	(82,712)	(1,288,639)
At 31 March 2024	628,632	1,784,209	144,655	1,214,171	150,712	1,084,237	5,006,616
Net book value							
At 31 March 2024	1,755,036	2,927,299	157,703	2,247,609	598,973	6,454,713	14,141,333
At 31 March 2023	1,823,741	1,497,304	20,162	1,545,506	622,973	4,829,398	10,339,084

HUMANKIND CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Tangible fixed assets (continued)

Company

	Freehold property £	Long-term leasehold property £	Motor Vehicles £	Fixture and fittings £	Computer equipment £	Social housing properties held for letting £	Total £
Cost or valuation							
At 1 April 2023	2,383,668	3,857,379	122,077	2,153,047	689,330	5,793,775	14,999,276
Additions	-	1,861,815	154,001	1,525,211	60,355	1,918,254	5,519,636
Transfer from subsidiary	-	-	-	37,899	-	-	37,899
Disposals	-	(1,007,686)	-	(406,691)	-	(173,079)	(1,587,456)
At 31 March 2024	<u>2,383,668</u>	<u>4,711,508</u>	<u>276,078</u>	<u>3,309,466</u>	<u>749,685</u>	<u>7,538,950</u>	<u>18,969,355</u>
Depreciation							
At 1 April 2023	559,927	2,360,075	101,915	652,046	66,357	964,377	4,704,697
Charge for the year	68,705	393,213	16,460	646,659	84,355	202,572	1,411,964
On disposals	-	(969,079)	-	(236,848)	-	(82,712)	(1,288,639)
At 31 March 2024	<u>628,632</u>	<u>1,784,209</u>	<u>118,375</u>	<u>1,061,857</u>	<u>150,712</u>	<u>1,084,237</u>	<u>4,828,022</u>
Net book value							
At 31 March 2024	<u>1,755,036</u>	<u>2,927,299</u>	<u>157,703</u>	<u>2,247,609</u>	<u>598,973</u>	<u>6,454,713</u>	<u>14,141,333</u>
At 31 March 2023	<u>1,823,741</u>	<u>1,497,304</u>	<u>20,162</u>	<u>1,501,001</u>	<u>622,973</u>	<u>4,829,398</u>	<u>10,294,579</u>

HUMANKIND CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. Fixed asset investments

	Group 2024	Group 2023	Company 2024	Company 2023
Unlisted investment	-	-	2	1,032,831
Listed investments				
Investments	2,002,672	1,987,408	2,002,672	1,987,408
	<u>2,002,672</u>	<u>1,987,408</u>	<u>2,002,674</u>	<u>3,020,239</u>

	Listed investments £
Group	
Cost or valuation	
At 1 April 2023	1,987,408
Change in market value	15,264
	<u>2,002,672</u>
At 31 March 2024	<u>2,002,672</u>

	Investments in subsidiaries £	Listed investments £	Total £
Company			
Cost or valuation			
At 1 April 2023	1,032,831	1,987,408	3,020,239
Additions	-	-	-
Disposals	-	-	-
Transfer of net assets from subsidiary	(1,032,829)	-	(1,032,829)
Change in market value	-	15,264	15,264
	<u>2</u>	<u>2,002,672</u>	<u>2,002,674</u>
At 31 March 2024	<u>2</u>	<u>2,002,672</u>	<u>2,002,674</u>

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

17. Fixed asset investments (continued) Principal subsidiaries

The following were subsidiary undertakings of Humankind Charity:

	Company Number	Holding
More Time (UK) Limited	07738729	100%
The Sector Group Limited (dormant)	07738950	100%
Humankind Support Services Limited	14174303	100%
E D P Drug & Alcohol Services (dormant from 1 July 2023)	02145656	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) /Surplus/ (Deficit) for the year £	Net assets £
More Time (UK) Limited	759,062	(667,257)	91,805	(37,208)
E D P Drug & Alcohol Services (until 1 July 2023)	2,228,079	(4,869,398)	(2,641,319)	-
Humankind Support Services Limited	12,782,567	(12,782,567)	-	1
The Sector Group Limited (dormant)	-	-	-	1

The registered office for More Time (UK) Limited, The Sector Group Limited, E D P Drug & Alcohol Services and Humankind Support Services Limited is Inspiration House, Unit 22, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF.

Acquisition of trade and assets

On 1 July 2023, the assets, liabilities and trade of E D P Drug & Alcohol Services were transferred to Humankind Charity for £nil consideration. E D P Drug & Alcohol Services is a subsidiary undertaking of Humankind Charity.

The company has accounted for the transfer using the merger accounting principles of FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'), as applied to a trade and assets purchase. As a result, the transferred assets and liabilities were recognised at their book values, as reported in E D P Drug & Alcohol Services immediately before the transfer - no adjustments were made to reflect fair values at the transfer date, or to recognise any new identifiable assets or liabilities, at the date of the transfer, that would otherwise be recognised under the acquisition accounting method. No goodwill was recognised as a result of the transfer. The only adjustments were to align accounting policies. In accordance with generally accepted accounting practice under FRS 102, for the application of merger accounting principles to a trade and assets transfer, the results of the acquired business were accounted for prospectively from the date of the transfer.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

17. Fixed asset investments (continued)

The following table sets out the carrying value of the identifiable assets and liabilities transferred on 1 July 2023:

	£
Tangible fixed assets	37,899
Debtors	964,961
Cash at bank and in hand	2,958,071
Creditors falling due within one year	(997,454)
Provisions for liabilities	(237,622)
	<hr/>
Net assets	<u>2,725,855</u>

From the date of transfer to 31 March 2024, the transferred business contributed income of £6,786,812.

18. Stocks

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Materials and consumables	<u>102,302</u>	<u>111,139</u>	<u>98,981</u>	<u>106,082</u>

19. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Amounts falling due within one year				
Trade debtors	13,759,258	11,516,368	9,217,526	11,246,290
Amounts owed by group undertakings	-	-	3,895,901	296,952
Other debtors	410,633	345,896	403,234	272,056
Prepayments and accrued income	<u>2,984,096</u>	<u>2,687,772</u>	<u>2,980,588</u>	<u>2,620,543</u>
	<u>17,153,987</u>	<u>14,550,036</u>	<u>16,497,249</u>	<u>14,435,841</u>

Included within debtors are bad debt provisions totaling £83,762 (2023: £48,330) in relation to trade debtors in the group and the company and £nil (2023: £107,805) in relation to amounts owed by group undertakings in the company.

20. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade creditors	3,409,919	1,279,316	3,409,300	1,174,757
Other taxation and social security	2,690,701	1,181,809	1,932,012	1,004,761
Other creditors	1,026,039	866,465	1,024,411	790,951
Accruals and deferred income	16,170,749	15,134,934	16,120,287	14,424,232
Other loans	<u>291,225</u>	<u>-</u>	<u>291,225</u>	<u>-</u>
	<u>23,588,633</u>	<u>18,462,524</u>	<u>22,777,235</u>	<u>17,394,701</u>

Within other creditors, in the group and company, are unspent capital grants received of £163,719 (2023 - £147,524). Other loans were a social impact bond liability repayable in full with interest on 1 October 2024. The interest rate is 10.5% pa.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

20. Creditors: Amounts falling due within one year (continued)

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Deferred income at 1 April 2023	10,727,063	6,963,092	10,270,968	6,659,926
Resources deferred during the year	8,801,378	7,284,562	8,801,378	6,828,467
Amounts released from previous periods	(9,647,486)	(3,520,591)	(9,191,391)	(3,217,425)
	<u>9,880,955</u>	<u>10,727,063</u>	<u>9,880,955</u>	<u>10,270,968</u>

Deferred income comprises amounts received for use in future accounting periods.

21. Creditors: Amounts falling due after more than one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Other loans	-	268,125	-	268,125
Other creditors	3,258,078	2,440,152	3,258,078	2,440,152
	<u>3,258,078</u>	<u>2,708,277</u>	<u>3,258,078</u>	<u>2,708,277</u>

Other creditors, in the group and the company, include unspent capital grants of £3,258,078 (2023: £2,440,152). Capital grants of £956,349 (2023: £442,157) were received in the year and £152,167 (2023: £147,251) of grants were released. Other loans were a social impact bond liability repayable in full with interest on 1 October 2024. The interest rate is 10.5% pa.

22. Borrowings

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Other loans	291,225	268,125	291,225	268,125
Payable within one year	291,225	-	291,255	-
Payable after one year	-	268,125	-	268,125
	<u>291,225</u>	<u>268,125</u>	<u>291,255</u>	<u>268,125</u>

Other loans were a social impact bond liability repayable in full with interest on 1 October 2024. The interest rate is 10.5% pa.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

23. Provisions for liabilities Group

	Dilapidations £
Provisions at 1 April 2023	788,637
Additions	90,470
Released	<u>(237,622)</u>
Provisions at 31 March 2024	<u>641,485</u>

The dilapidations provisions is based on the future expected repair costs required to restore the leased buildings to their fair condition at the end of their respective lease terms.

Company

	Dilapidations £
Provisions at 1 April 2023	551,015
Additions	328,092
Released	<u>(237,622)</u>
Provisions at 31 March 2024	<u>641,485</u>

24. Statement of funds

Statement of funds - current year - Group

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds - Group						
Designated funds						
Fixed Asset Reserve	44,505	-	-	(44,505)	-	-
General funds						
Unrestricted funds	15,464,077	57,694,655	(56,757,353)	(313,070)	15,264	16,103,573
Pension reserve	(23,000)	-	-	-	23,000	-
	<u>15,441,077</u>	<u>57,694,655</u>	<u>(56,757,353)</u>	<u>(313,070)</u>	<u>38,264</u>	<u>16,103,573</u>
Total unrestricted funds	<u>15,485,582</u>	<u>57,694,655</u>	<u>(56,757,353)</u>	<u>(357,575)</u>	<u>38,264</u>	<u>16,103,573</u>

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

24. Statement of funds (continued)

Statement of funds - current year – Group (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Restricted funds						
Big lottery	73,808	-	(2)	-	-	73,806
Independent living	8,991	482,794	(501,971)	10,186	-	-
Drugs and alcohol	47,142	39,880,737	(39,913,792)	-	-	14,087
Health young people and families	64,541	-	-	-	-	64,541
Community services	38,451	1,193,061	(1,194,815)	-	-	36,697
Criminal Justice	7,488	384,140	(381,504)	-	-	10,124
Work and skills	-	1,251,445	(1,598,814)	347,369	-	-
Humankind housing	15,522	-	(2,854)	-	-	12,668
Central	-	130,076	(130,076)	-	-	-
Exeter City Council	-	26,430	(26,430)	20	-	20
Recovery fund	5,167	405,164	(405,112)	-	-	5,219
	261,110	43,753,847	(44,155,370)	357,575	-	217,162
Total of funds	15,746,692	101,448,502	(100,912,723)	-	38,264	16,320,735

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

24. Statement of funds (continued)

Unrestricted funds represent resources available for general work.

Restricted Funds:

Big Lottery

Aims to improve the lives and well being of people with entrenched multiple needs, who are currently the most disengaged and disconnected from services.

Independent living

Helping vulnerable people in the community who may be homeless, at risk of homelessness or at risk of losing their tenancy. Providing services which support vulnerable people to get the right tenancy for them, and to develop the skills to maintain that tenancy.

Drugs and alcohol

Supporting people to enter recovery oriented drug and alcohol service, choose abstinence, achieve recovery, reduce risk taking behavior and improve local communities. integrated substance misuses service that encourages, supports and empowers individuals to take responsibility and control of their lives.

Health, young people and families

Offering vocational training to young people whom may have left school without any qualifications. Offering support advice to young people with LGBT concerns and interest both personally or within their family.

Community services

Offering vocational training to young people and young adults who have a range of different needs, as well as their carers and their wider families.

Criminal justice

Delivering services to help those who are actively offending, or who have historically offended, to move towards a more positive lifestyle. This includes working in a number of prison establishments across the country.

Work and skills

Offering specialist education and employment services to vulnerable people to identify and address the barriers to their employment, to advocate with employers and to create opportunities which lead to healthier, positive and more stable lives. Overspend has been transferred from unrestricted funds.

Humankind housing

A registered provider of housing offering a solution that means we can provide housing for people with issues often considered by private landlords to be high risk. Humankind Housing has stepped in with a solution that bridges the divide.

Exeter City Council

This fund represents a grant by Exeter City Council for the employment of a specialist navigator for 12 months, under Exeter's award of funding through the Rough Sleeper Rapid Rehousing Pathway programme.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

24. Statement of funds (continued)

Sport England

This fund represents a three-year grant by Sport England for their Flourish in Nature project using National Lottery funding. Specifically, it is to be used to train up cohorts of volunteer outdoor activity leaders in Devon.

Recovery Fund

The Recovery Fund is a pot of monies raised by Service Users, volunteers and staff to purchase items that will enhance and support recovery. Funds are received either from donations to the organisation, or are raised directly by the staff, Volunteer team and Service Users in localised or regional fundraising activities.

Transfers

Transfers between funds are to cover losses made on restricted funds which have been funded from unrestricted income streams.

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

24. Statement of funds (continued)

Statement of funds - current year - Company

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds - Company						
General funds						
Unrestricted funds	13,926,467	57,490,185	(54,936,261)	(357,575)	15,264	16,138,080
Defined benefit pension scheme	(23,000)	-	-	-	23,000	-
Total unrestricted funds	13,903,467	57,490,185	(54,936,261)	(357,575)	38,264	16,138,080
Restricted funds						
Big lottery	73,808	-	(2)	-	-	73,806
Independent living	8,991	482,794	(501,971)	10,186	-	-
Drugs and alcohol	47,142	39,880,737	(39,913,792)	-	-	14,087
Health young people and families	64,541	-	-	-	-	64,541
Community services	38,451	1,193,061	(1,194,815)	-	-	36,697
Criminal Justice	7,488	384,140	(381,504)	-	-	10,124
Work and skills	-	1,251,445	(1,598,814)	347,369	-	-
Humankind housing	15,522	-	(2,854)	-	-	12,668
Central	-	130,076	(130,076)	-	-	-
Exceter city	-	26,430	(26,447)	20	-	3
	255,943	43,348,683	(43,750,275)	357,575	-	211,926
Total of funds	14,159,410	100,838,868	(98,686,536)	-	38,264	16,350,006

HUMANKIND CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

24.Statement of funds (continued)

Statement of funds - prior year - Group

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers In/out £	Gains/ Losses £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Fixed Asset Reserve	52,636	-	(38,217)	30,086	-	44,505
General funds						
Unrestricted funds	14,244,928	47,495,136	(46,147,189)	(116,206)	(12,592)	15,464,077
Defined benefit pension scheme	(129,000)	-	(11,000)	-	117,000	(23,000)
	<u>14,115,928</u>	<u>47,495,136</u>	<u>(46,158,189)</u>	<u>(116,206)</u>	<u>104,408</u>	<u>15,441,077</u>
Total unrestricted funds	<u>14,168,564</u>	<u>47,495,136</u>	<u>(46,196,406)</u>	<u>(86,120)</u>	<u>104,408</u>	<u>15,485,582</u>

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

24. Statement of funds (continued)

Statement of funds - prior year - Group

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers In/out £	Gains/ Losses £	Balance at 31 March 2023 £
Restricted funds						
Big lottery	73,811	19,143	(19,146)	-	-	73,808
Independent living	16,936	292,103	(300,048)	-	-	8,991
Drugs and alcohol	63,934	27,299,451	(27,316,243)	-	-	47,142
Health, young people and families	76,901	237,533	(249,893)	-	-	64,541
Community services	27,068	842,279	(830,896)	-	-	38,451
Criminal Justice	-	446,483	(438,995)	-	-	7,488
Work and skills	-	2,757,743	(2,843,863)	86,120	-	-
Humankind housing	-	49,422	(33,900)	-	-	15,522
Central	-	83,261	(83,261)	-	-	-
Exeter City council	-	51,254	(51,254)	-	-	-
Sport England	-	4,553	(4,553)	-	-	-
Teignbridge rough sleeper initiative	-	19,604	(19,604)	-	-	-
DWP	-	3,213	(3,213)	-	-	-
Dorset County Council	34,100	544,694	(578,794)	-	-	-
Devon county Council	-	368,438	(368,438)	-	-	-
Torbay and South Devon HNS	-	9,582	(9,582)	-	-	-
Recovery fund	3,197	4,745	(2,775)	-	-	5,167
	<u>295,947</u>	<u>33,033,501</u>	<u>(33,154,458)</u>	<u>86,120</u>	<u>-</u>	<u>261,110</u>
Total of funds	<u>14,464,511</u>	<u>80,528,637</u>	<u>(79,350,864)</u>	<u>-</u>	<u>104,408</u>	<u>15,746,692</u>

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

24. Statement of funds (continued)

Statement of funds - prior year - Company

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds - Company						
General funds						
Unrestricted funds	13,327,366	38,697,546	(37,999,733)	(86,120)	(12,592)	13,926,467
Defined benefit pension scheme	(129,000)	-	(11,000)	-	117,000	(23,000)
Total unrestricted funds	13,198,366	38,697,546	(38,010,733)	(86,120)	104,408	13,903,467
Restricted funds						
Big lottery	73,811	19,143	(19,146)	-	-	73,808
Independent living	16,936	292,103	(300,048)	-	-	8,991
Drugs and alcohol	63,934	27,299,450	(27,316,242)	-	-	47,142
Health young people and families	76,901	237,533	(249,893)	-	-	64,541
Community services	27,068	842,279	(830,896)	-	-	38,451
Criminal Justice	-	446,483	(438,995)	-	-	7,488
Work and skills	-	2,757,743	(2,843,863)	86,120	-	-
Humankind housing	-	49,422	(33,900)	-	-	15,522
Central	-	83,261	(83,261)	-	-	-
	258,650	32,027,417	(32,116,244)	86,120	-	255,943
Total of funds	13,457,016	70,724,963	(70,126,977)	-	104,408	14,159,410

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

25. Analysis of net assets between funds - Group

Analysis of net assets between funds - current year

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Tangible fixed assets	7,598,725	6,542,608	14,141,333
Fixed asset investments	2,002,672	-	2,002,672
Current assets	27,664,926	-	27,664,926
Creditors due within one year	(20,521,265)	(3,067,368)	(23,588,633)
Creditors due in more than one year	-	(3,258,078)	(3,258,078)
Pension liability	-	-	-
Provisions for liabilities and charges	(641,485)	-	(641,485)
Total	16,103,573	217,162	16,320,735

Analysis of net assets between funds - prior year

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Tangible fixed assets	7,579,441	2,759,643	10,339,084
Fixed asset investments	1,987,408	-	1,987,408
Current assets	17,979,750	7,422,888	25,402,638
Creditors due within one year	(11,249,380)	(7,213,144)	(18,462,524)
Creditors due in more than one year	-	(2,708,277)	(2,708,277)
Pension liability	(23,000)	-	(23,000)
Provisions for liabilities and charges	(788,637)	-	(788,637)
Total	15,485,582	261,110	15,746,692

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

25. Analysis of net assets between funds - Company

Analysis of net assets between funds - current year

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Tangible fixed assets	7,598,725	6,542,608	14,141,333
Fixed asset investments	2,002,674	-	2,002,674
Current assets	26,882,797	-	26,882,797
Creditors due within one year	(19,704,631)	(3,072,604)	(22,777,235)
Creditors due in more than one year	-	(3,258,078)	(3,258,078)
Pension liability	-	-	-
Provisions for liabilities and charges	(641,485)	-	(641,485)
Total	16,138,080	211,926	16,350,006

Analysis of net assets between funds - prior year

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Tangible fixed assets	7,579,441	2,715,138	10,294,579
Fixed asset investments	3,020,239	-	3,020,239
Current assets	21,272,503	249,082	21,521,585
Creditors due within one year	(17,394,701)	-	(17,394,701)
Creditors due in more than one year	-	(2,708,277)	(2,708,277)
Pension liability	(23,000)	-	(23,000)
Provisions for liabilities and charges	(551,015)	-	(551,015)
Total	13,903,467	255,943	14,159,410

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

26. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £
Net movement in funds for the year (as per Statement of Financial Activities)	574,043	1,282,181
Adjustments for:		
Depreciation charges	1,420,224	955,387
Impairment of tangible assets	-	176,652
Change in market value of investments	(15,264)	12,592
(Loss)/profit on sale of tangible assets	298,817	(33,950)
Investment income	(296,300)	(124,188)
Interest charged	23,100	-
Decrease in stocks	8,837	10,535
Increase in debtors	(2,603,951)	(4,088,181)
Increase in creditors	5,652,810	5,077,604
(Decrease)/increase in provisions	(147,152)	598,313
Movement on pension scheme liability	(23,000)	(106,000)
Net cash provided by operating activities	4,892,164	3,760,945

27. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	Other non-cash changes £	At 31 March 2024 £
Cash at bank and in hand	10,741,463	(332,826)	-	10,408,637
Borrowings excluding overdrafts	(268,125)	-	(23,100)	(291,225)
	<u>10,473,338</u>	<u>(332,826)</u>	<u>(23,100)</u>	<u>10,117,412</u>

28. Pension commitments

The group operates a number of pension schemes.

Humankind Charity, More Time (UK) Limited and E D P Drug and Alcohol Services operate defined contribution schemes, the pension charge represents the amounts payable by the group to the fund in the accounting period. The assets of the schemes are held separately from the group in independently administered funds. Costs charged to the Statement of Financial Activities for the year were £2,924,017 (2023 - £1,338,541). Amounts due to the scheme at the year-end were £309,373 (2023 - £243,554).

Both E D P Drug and Alcohol Services and Humankind Charity contribute to the NHS Pension scheme. Although the scheme provides defined benefits to members, it is an unfunded multi-employer scheme, with no ongoing liability for the group beyond the level of employer contributions specified by the scheme. Accordingly, it is accounted for as a defined contribution scheme. Costs charged to income and expenditure for the year were £785,430 (2023 - £270,737). Amounts due to the scheme at the year-end were £457,367 (2023 - £331,794).

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

28. Pension commitments (continued)

At the start of the year the group had two members of staff who were members of the West Yorkshire Pension Fund, a Local Government Pension Scheme (LGPS). This is a defined benefit scheme. During the year both scheme members left which triggered an exit. The group has obtained an LGPS valuation as at 31 March 2023 and at the scheme exit date. The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee administered funds. The total contribution made for the year ended 31 March 2024 were £8,000 (2023 - £8,000), of which employer's contributions totalled £7,000 (2023 - £6,000) and employees' contributions totalled £1,000 (2023 - £2,000). The agreed contribution rates for future years are 18.6% for employers and 5.5% - 10.5% for employees.

Principal actuarial assumptions at the scheme exit date (2023 – at the balance sheet date) (expressed as weighted averages):

	2024	2023
	%	%
Discount rate	4.50	4.50
Future salary increases	3.85	3.85
Future pension increases	2.60	2.60
CPI inflation	2.60	2.60

	2024	2023
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	21.6	21.6
- at 65 for a male aged 45 now	22.9	22.9
- for a female aged 65 now	24.6	24.6
- at 65 for a female aged 45 now	25.7	25.7

The Group's share of the assets in the scheme was:

	2024	2023
	£	£
Equities	-	136,000
Gilts	-	12,000
Corporate bonds	-	8,000
Property	-	6,000
Cash and other liquid assets	-	4,000
Other	-	4,000
Total fair value of assets	-	170,000

The actual return on scheme assets was £2,000 (2023 - £1,000).

	2024	2023
	£	£
Current service cost	7,000	13,000
Interest income	-	(4,000)
Interest cost	-	8,000
Exit credit	(15,000)	-
Total amount recognised in the Statement of Financial Activities	(8,000)	17,000

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

28. Pension commitments (continued)

Amounts recognised in comprehensive income

	2024	2023
	£	£
Actuarial losses arising during the period	(6,000)	(3,000)
Actuarial gains	29,000	120,000
Total amount recognised in the Consolidated statement of financial activities	<u>23,000</u>	<u>117,000</u>

The amounts included in the statement of balance sheet arising from the group's obligations in respect of defined benefit plans are as follows:

	2024
	£
Present value of defined benefit obligation	-
Fair value of plan assets	-
Deficit in scheme	<u>-</u>

Movements in the present value of the defined benefit obligation were as follows:

	2024	2023
	£	£
Opening defined benefit obligation	193,000	290,000
Contributions by scheme participants	1,000	2,000
Current service cost	-	13,000
Interest cost	-	8,000
Actuarial gains	(29,000)	(120,000)
Scheme exit	(165,000)	-
Adjustment to prior year by actuary	-	-
Closing defined benefit obligation	<u>-</u>	<u>193,000</u>

Movements in the fair value of the Group's share of scheme assets were as follows:

	2024	2023
	£	£
Opening fair value of scheme assets	170,000	161,000
Expected return on assets	8,000	4,000
Contributions by scheme participants	1,000	2,000
Contributions by employer	7,000	6,000
Actuarial losses	(6,000)	(3,000)
Scheme exit	(180,000)	-
Closing fair value of scheme assets	<u>-</u>	<u>170,000</u>

HUMANKIND CHARITY

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

28. Pension commitments (continued)

The entity is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the UK Government's Actuary's Department and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

29. Operating lease commitments

At 31 March 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Not later than 1 year	2,078,173	1,658,645	2,078,173	1,535,827
Later than 1 year and not later than 5 years	4,401,348	2,922,439	4,401,348	2,635,653
Later than 5 years	518,303	886,267	518,303	886,267
	<u>6,997,824</u>	<u>5,467,351</u>	<u>6,997,824</u>	<u>5,057,747</u>

30. Related party transactions

During the period management charges and other recharges of £25,000 (2023: £194,373) were charged to E D P Drug & Alcohol Services, an entity under the control of Humankind Charity. At the year end there was an amount of £nil (2023: £229,310) due to Humankind Charity.

On 1 July 2023, E D P Drug and Alcohol Services, a subsidiary of Humankind, transferred all of its activities, assets and liabilities to the Humankind Charity. For further details of this transfer, please refer to the fixed asset investments note (note 17).

During the period there were sales of £nil (2023: £12,149) and purchases of £680,024 (2023: £429,549) from More Time (UK) Limited, an entity under the control of Humankind Charity. At the year end there was an amount of £123,310 (2023: £175,582) due to Humankind Charity. The amounts due from More Time (UK) Limited is net of a bad debt provision of £nil (2023: £107,805). Included in the amounts due from More Time (UK) Limited is a loan of £22,975 (2023: £90,485) on which interest is charged at 2% pa.

During the period there were sales of £12,782,567 (2023: £nil) and purchases of £12,782,567 (2023: £nil) to/from Humankind Support Services Limited, an entity under the control of Humankind Charity. At the year end there was an amount of £3,772,591 (2023 £nil) due to Humankind Charity.

31. Post balance sheet events

On 1 June 2024 Richmond Fellowship transferred all of its activities, assets and liabilities to Humankind Charity; Aquarius previously a subsidiary of Richmond Fellowship became a wholly owned subsidiary of Humankind Charity.