



# **Humanists**

## **INTERNATIONAL**

**INTERNATIONAL HUMANIST AND ETHICAL UNION**

**(operating as HUMANISTS INTERNATIONAL)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2019**

**COMPANY NUMBER FC 020642**

# INTERNATIONAL HUMANIST AND ETHICAL UNION

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

The Directors of the International Humanist and Ethical Union (IHEU), operating as Humanists International, present their annual report with the annual accounts of the company for the year ended 31st December 2019. The accounts have been prepared in accordance with the accounting policies set out in Note 1 and comply with current statutory requirements.

IHEU is the world federation of organizations making up the global humanist movement, inclusive of all nontheistic traditions such as humanist, atheist, rationalist, secularist, laique, ethical culture, freethought, and skeptic.

We want a secular world in which human rights are respected and everyone is able to live a life of dignity.

We work to build and represent the global humanist movement that defends human rights and promotes Humanist values world-wide.

Our Aims are:

- We will have successful and sustainable member organisations in every part of the world
- We will create a coordinated global movement by supporting and developing our network
- We will influence and shape international and regional government policies
- We will have sufficient reputation, resources, and effectiveness to achieve our objectives

### LEGAL AND ADMINISTRATIVE DETAILS

The IHEU is a Membership Corporation pursuant to the Membership Corporation law of the State of New York. It is registered in England and Wales under the Companies Act as an overseas company having established a place of business in England and Wales. The company has no capital stock and is not conducted for profit.

All assets remaining upon liquidation of the company shall be distributed solely for the purposes of furthering humanist and ethical associations in the bylaws of the company, subject to the approval of the Supreme Court of the State of New York.

The Directors who are responsible for the management of the company are the elected members of the Board. They are elected by the General Assembly of representatives of Member Organizations, which is also the policy making body of the company.

Company registration number FC 020642 England and Wales

Directors/Board Members serving during the year:

President	Mr Andrew Copson	(British)	
Vice President	Ms Anne-France Ketelaer	(Belgian)	
Treasurer	Mr Boris Van Der Ham	(Dutch)	
Board Members:	Ms Rebecca Hale	(American)	
	Ms Gulalai Ismail	(Pakistani)	
	Ms Kristin Mile	(Norwegian)	
	Mr Kato Mukasa	(Ugandan)	until 2 June 2019
	Mr Uttam Niraula	(Nepalese)	
	Mr David Pineda	(Guatemalan)	
	Ms Roslyn Mould	(Ghanaian)	from 2 June 2019

UK Registered Office: The Green House, 244 – 254 Cambridge Heath Road, London E1 9DA

Auditors: Knox Cropper LLP, 65 Leadenhall Street, London EC3A 2AD

# INTERNATIONAL HUMANIST AND ETHICAL UNION

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

### STAFF

Chief Executive	Gary McLelland
Director of Communications & Campaigns	Bob Churchill
Director of Advocacy	Elizabeth O'Casey
Growth and Development Officer	Giovanni Gaetani
Financial Administrator	Jean Zong

The names of volunteer representatives, who are the Company's members, are given on our website: [humanists.international](https://humanists.international)

### PRINCIPAL ACTIVITIES

2019 was a very busy year for Humanists International.

At the start of the year we launched our new trading name, Humanists International, as well as a full new visual identity and website. This was very successful, and received very positive feedback from members and supporters.

Thanks to increased income from membership fees, and some generous donations, we were able to significantly increase the amount of funds we distributed through our growth and development programme.

With the support of the Norwegian Humanist Association we conducted a series of training events aimed at supporting members across Europe.

We held our General Assembly in Reykjavik, Iceland, in conjunction with the European Humanist Federation.

We recruited a new Financial Administrator to assist us with implementing new financial management procedures.

More detailed information about our activities can be found in our Annual Report on our website: <https://humanists.international/about/>

### FINANCIAL REVIEW

The result for the year is disclosed in the income and expenditure account on page 7.

### FUTURE PLANS

In October 2018 the Board adopted a revised strategy, centred around four strategic aims:

- We will have successful and sustainable member organisations in every part of the world;
- We will create a coordinated global movement by supporting and developing our network;
- We will influence and shape international and regional government policies, and;
- We will have sufficient reputation, resources, and effectiveness to achieve our objectives.

More information can be found on our website at: [www.humanists.international/about](https://www.humanists.international/about)



# INTERNATIONAL HUMANIST AND ETHICAL UNION

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### DISCLOSURE OF INFORMATION TO AUDITORS

The Directors confirm that, in the case of each of the persons who are Directors at the date of this report, the following applies:

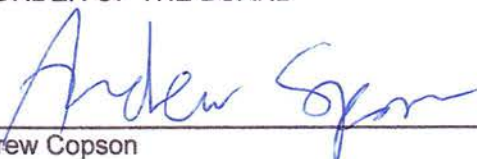
- so far as each Director is aware, there is no relevant audit information (information needed by the Company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each Director has taken all the steps necessary to make herself/himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### AUDITORS

In accordance with Section 485 of the Companies Act 2006 Messrs. Knox Cropper, having indicated their willingness to act, will be proposed for re-appointment at the Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD

  
\_\_\_\_\_  
Andrew Copson

10/07 2020



# INTERNATIONAL HUMANIST AND ETHICAL UNION

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF INTERNATIONAL HUMANIST AND ETHICAL UNION

### Opinion

We have audited the financial statements of International Humanist and Ethical Union (the 'company') for the year ended 31 December 2019 which comprise the Income and Expenditure Account, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



# INTERNATIONAL HUMANIST AND ETHICAL UNION

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF INTERNATIONAL HUMANIST AND ETHICAL UNION

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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.

### **Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out in the Report of the Directors, the directors 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 directors determine 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



Richard Billinghamurst (Senior Statutory Auditor)  
for and on behalf of Knox Cropper LLP  
65 Leadenhall Street, London EC3A 2AD

Date: 10 / 07 2020

# INTERNATIONAL HUMANIST AND ETHICAL UNION

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £	Total 2018 £
Turnover	2	286,546	73,240	-	359,786	198,441
Operating Costs	3	(413,198)	(77,680)	(7,875)	(498,753)	(325,654)
<b>Operating Surplus/(Deficit)</b>	4	(126,652)	(4,440)	(7,875)	(138,967)	(127,213)
<b>Investment Income</b>						
Overseas Interest Receivable		6,441	-	-	6,441	3,587
Interest Receivable		108	-	-	108	47
Dividends Receivable		-	-	45,016	45,016	40,700
Exchange (Losses)		(28,326)	-	(79,521)	(107,847)	144,583
		(21,777)	-	(34,505)	(56,282)	188,917
<b>Gains/(Losses) on Investments</b>						
Realised Gains	8	-	-	38,301	38,301	84
Surplus on ordinary activities before tax		(148,429)	(4,440)	(4,079)	(156,948)	61,788
Taxation	5,6	(1,000)	-	-	(1,000)	(10)
Loss on ordinary activities after tax and before transfers		(149,429)	(4,440)	(4,079)	(157,948)	61,778
Transfers		75,000	-	(75,000)	-	-
Loss on ordinary activities after tax and transfers		(74,429)	(4,440)	(79,079)	(157,948)	61,778
<b>Statement of total recognised gains and losses</b>						
Loss on Ordinary Activities after Tax and Transfers		(74,429)	(4,440)	(79,079)	(157,948)	61,778
Unrealised (Losses)/Gains on Investments	8	-	-	353,432	353,432	(184,136)
Total (Losses)/Gains recognised in the year		(74,429)	(4,440)	274,353	195,484	(122,358)
Funds Brought Forward at 1st January		244,344	310,332	1,988,380	2,543,056	2,665,414
Funds Carried Forward at 31st December		£169,915	£305,892	£2,262,733	£2,738,540	£2,543,056



# INTERNATIONAL HUMANIST AND ETHICAL UNION

## BALANCE SHEET

FOR THE YEAR ENDED 31ST DECEMBER 2019

	Notes	2019		2018	
		£	£	£	£
Fixed Assets	7		1,777		-
Investments	8		2,154,287		1,807,743
<b>Current Assets:</b>					
Debtors	9	3,953		4,091	
Cash at Bank		613,841		777,725	
		<u>617,794</u>		<u>781,816</u>	
<b>Less Creditors:</b>					
Creditors: Amounts falling due within one year	10	(35,318)		(46,503)	
Net Current Assets			582,476		735,313
Total Current Assets less Current Liabilities			<u>£2,738,540</u>		<u>£2,543,056</u>
<b>Capital and Reserves</b>					
Revaluation Reserve	11	410,752		52,410	
Endowment Funds	11	<u>1,851,981</u>		<u>1,935,970</u>	
			2,262,733		1,988,380
Restricted Fund	12		305,892		310,332
General Fund	13		<u>169,915</u>		<u>244,344</u>
<b>TOTAL FUNDS</b>			<u>£2,738,540</u>		<u>£2,543,056</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The accounts were approved by the Directors on 10/07 2020.

Signed on behalf of the Board of Directors



Boris Van Der Ham

Company number: FC 020642



# INTERNATIONAL HUMANIST AND ETHICAL UNION

## NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2019

### 1. ACCOUNTING POLICIES

#### (a) Basis of Accounting

The financial statements of the company, which is a public benefit entity under FRS 102, have been prepared on a historical cost basis and in accordance with the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Although the International Humanist and Ethical Union is not a registered Charity, its objects and activities are essentially philanthropic. The format of the Income and Expenditure Account has therefore been modified to reflect the requirements of the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The presentation currency of the financial statements is Pounds Sterling.

The Directors consider that there are no material uncertainties about the Company's ability to continue as a going concern. Since the year end, the Coronavirus pandemic has had a serious impact on the world economy generally. This in turn is likely to impact on future income of the company, particularly from donations, membership fees and investment income. The directors have looked forward for a period of at least twelve months from the date of approval of these financial statements and considered the company's level of cash reserves and the likely impact on income and expenditure and consider that there will be sufficient resources available to the company..

#### (b) Turnover

Turnover represents dues and subscriptions from member organisations and individuals, grants, donations and sundry sales income. Members' dues are treated as income when they fall due. All material sources of income are accounted for when they fall due provided these amounts can be estimated with reasonable certainty.

#### (c) Life Subscriptions

Life subscriptions are accounted for as deferred income with amounts equal to the annual membership subscription for each life member received from 1997 being released to the Income and Expenditure Account each year.

#### (d) Foreign Currency

Balances denominated in foreign currencies are translated at the rate of exchange applicable on the balance sheet date. Differences arising on translation are reflected through the Income and Expenditure Account. Transactions in foreign currencies are translated into Sterling at the average monthly rate of exchange prevailing when the transactions arise. Exchange differences are taken into account in arriving at the operating result.

#### (e) Tangible Fixed Assets

Tangible fixed assets are included in the accounts at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

- Computers 33.33% straight line basis
- Office equipment 20.00% straight line basis

#### (f) Current Assets

Amounts receivable are stated at amounts due less a provision for non-collectability.

#### (g) Restricted Funds

Any balance of income received for a specific purpose but not expended is held as a restricted fund until utilised.

#### (h) Endowment Funds

Endowments consist of permanent and expendable endowments. The capital of permanent endowments must be retained. Expendable endowments are funds which, although the capital and income is available to meet the objects of IHEU (subject to any donor imposed restrictions), it is the Directors intention that the capital be maintained.

# INTERNATIONAL HUMANIST AND ETHICAL UNION

## NOTES FORMING PART OF THE ACCOUNTS (continued) FOR THE YEAR ENDED 31st DECEMBER 2019

### 1. ACCOUNTING POLICIES (Continued)

(i) **Investment Income**

Income from listed investments is accounted for on the date it falls due for payment. Interest from cash on deposit is accounted for on an accruals basis.

(j) **Investments**

Investments are in basic financial instruments and are stated at mid-market value at the balance sheet date. Gains and losses on disposals and revaluations of fixed asset investments are reported in the Income and Expenditure Account and Statement of Total Recognised Gains and Losses respectively and added to the funds to which they relate.

(k) **Critical judgements and key sources of estimation uncertainty**

Judgements and key sources of estimation uncertainty are detailed in the above accounting policies where applicable.

### 2. TURNOVER

Turnover represents grants, donations and membership fees receivable.

	General Fund £	Restricted Fund £	Endowment Funds £	2019 £	2018 £
Member Organisations	160,993	-	-	160,993	121,881
Supporters and Donations	94,604	-	-	94,604	58,501
Other Restricted Funds	-	73,240	-	73,240	259
Donation in Kind	30,949	-	-	30,949	17,800
	<b>£286,546</b>	<b>£73,240</b>	<b>£-</b>	<b>£359,786</b>	<b>£198,441</b>

The donation in kind includes the advocacy salary paid by deMens.nu.

### 3. OPERATING COSTS

	General Fund £	Restricted Fund £	Endowment Funds £	2019 £	2018 £
Wages and social security	176,248	-	-	176,248	130,920
Finance charges	4,063	-	7,875	11,938	8,400
Consultancy Costs	45,093	-	-	45,093	44,758
Travel Aid Board Members	8,925	13,200	-	22,125	18,037
Travel & Representation	48,423	-	-	48,423	46,526
Rent, Services and Office Supplies	31,498	-	-	31,498	25,978
Website Expenses	22,311	-	-	22,311	19,039
Audit Fees	4,620	-	-	4,620	4,500
General Assembly Expenses	6,401	-	-	6,401	3,133
Governance costs	18,189	-	-	18,189	2,009
Campaign Promotions	3,154	-	-	3,154	1,634
Growth and Development	42,689	64,480	-	107,169	18,438
Fundraising Costs	1,584	-	-	1,584	2,282
	<b>£413,198</b>	<b>£77,680</b>	<b>£7,875</b>	<b>£498,753</b>	<b>£325,654</b>



# INTERNATIONAL HUMANIST AND ETHICAL UNION

## NOTES FORMING PART OF THE ACCOUNTS (continued) FOR THE YEAR ENDED 31st DECEMBER 2019

### 4. OPERATING SURPLUS/DEFICIT

	2019 £	2018 £
The operating surplus/(deficit) is stated after charging:		
Auditors' Remuneration		
In their capacity as auditors	4,620	4,500
	<u>£4,620</u>	<u>£4,500</u>
Employee Costs		
Wages and salaries	156,900	117,107
Social Security costs	12,652	9,700
Pension costs	6,696	4,113
	<u>£176,248</u>	<u>£130,920</u>
Average number of employees	<u>4</u>	<u>3</u>

The company directors are not remunerated.

IHEU has four full time members of staff, a chief executive, a director of communications, a growth and development officer, and a financial administrator. All other services were provided by consultants, volunteers or member organisations.

Included within wages and salaries is a settlement payment of £12,000.

### 5. TAXATION

The IHEU, a philanthropic organisation, is liable to UK Corporation Tax on investment income generated in the United Kingdom and on investment income generated overseas only to the extent that it is remitted to the United Kingdom.

	2019 £	2018 £
Tax Charge for the current year	21	9
Under accrued in previous years	-	1
US corporation tax	979	-
	<u>£1,000</u>	<u>£10</u>

### 6. RECONCILIATION OF TAX CHARGE

	2019 £	2018 £
Surplus/(Deficit) on Ordinary Activities before Tax	<u>(156,948)</u>	<u>61,788</u>
Tax on Surplus on Ordinary Activities at small companies average rate of 19%, (2018: 19%)	(29,820)	11,740
Less Income not subject to Tax	(41,988)	(61,793)
Investment Income arising overseas and not remitted to the UK	(17,054)	(8,430)
Expenditure not allowable for Tax	88,883	58,492
	<u>£21</u>	<u>£9</u>

# INTERNATIONAL HUMANIST AND ETHICAL UNION

## NOTES FORMING PART OF THE ACCOUNTS (continued) FOR THE YEAR ENDED 31st DECEMBER 2019

### 7. FIXED ASSETS

	Computers £	Office equipment £	Total 2019 £	Total 2018 £
Cost				
At 1 January 2019	-	-	-	-
Additions	606	1,716	2,322	-
At 31 December 2019	606	1,716	2,322	-
Depreciation				
At 1 January 2019	-	-	-	-
Charge for the year	202	343	545	-
At 31 December 2019	202	343	545	-
Net book value				
At 31 December 2019	404	1,373	1,777	-
At 31 December 2018	-	-	-	-

### 8. INVESTMENTS

	2019 £	2018 £
(a) Quoted investment (at market value) Note 7 (b)	2,095,842	1,776,934
Cash held for investment purposes	58,445	30,809
	<u>£2,154,287</u>	<u>£1,807,743</u>
All the quoted investments are listed in the USA.		
(b) Overseas Fixed Interest	750,217	749,646
Overseas Equities	1,345,625	1,027,288
Cash Instruments	58,445	30,809
	<u>£2,154,287</u>	<u>£1,807,743</u>
(c) Movements in quoted investments		
Balance brought forward at 1st January 2019	1,776,934	1,780,108
Additions	495,911	644,889
Sale proceeds	(489,215)	(564,989)
- Realised Gains	38,301	84
- Unrealised Gains / (Losses)	353,432	(184,136)
Exchange (Losses) / Gains	(79,521)	100,978
Balance carried forward at 31st December 2019	<u>£2,095,842</u>	<u>£1,776,934</u>
Investments at Cost	<u>£1,685,090</u>	<u>£1,724,524</u>
(d) The following investments are material :		
Pax MSCI International Fund	110,577	96,016
Domini Impact International Equity	-	93,589
Qualcomm	122,627	-
Lord Abbott Short Duration	74,117	114,193
Vanguard Short Term	<u>104,084</u>	<u>114,689</u>



# INTERNATIONAL HUMANIST AND ETHICAL UNION

## NOTES FORMING PART OF THE ACCOUNTS (continued) FOR THE YEAR ENDED 31st DECEMBER 2019

### 9. DEBTORS

	2019 £	2018 £
Prepayments	3,953	2,985
Other debtors	-	1,106
	<u>£3,953</u>	<u>£4,091</u>

### 10. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Sundry Creditors and Accruals	27,437	31,871
Corporation Tax	21	10
Deferred income – life members	7,860	6,120
- member organisations	-	8,502
	<u>£35,318</u>	<u>£46,503</u>

Deferred income for life members consists of life membership fees received during the year being credited to deferred income whilst a sum equal to the current annual subscription multiplied by the number of life members is released to current income. Deferred income for member organisations represents membership fees received in advance from new member organisations.

### 11. ENDOWMENT FUNDS

	Victor Kay Humanitarian Fund			IHEU Endowment Fund	Total
	Fund £	Revaluation Reserve £	Sub Total £	£	£
Brought forward at 1 January 2019	1,858,629	52,410	1,911,039	77,341	1,988,380
Losses on Exchange	-	(79,521)	(79,521)	-	(79,521)
Investment Income	45,016	-	45,016	-	45,016
Unrealised gains on Investments	-	353,432	353,432	-	353,432
Investment losses recognised in previous periods now realised	(84,431)	84,431	-	-	-
Realised gains on Investments	38,301	-	38,301	-	38,301
Transfers to free funds	(75,000)	-	(75,000)	-	(75,000)
Investment Manager's Fees	(7,875)	-	(7,875)	-	(7,875)
	<u>£1,774,640</u>	<u>£410,752</u>	<u>£2,185,392</u>	<u>£77,341</u>	<u>£2,262,733</u>

The Endowment Funds consist of:

- The IHEU Endowment Fund, which was originally created in 1973 and was added to by contributions made during the fund raising drive in Buffalo, USA, in 1988.
- The Victor Kay Humanitarian Fund, which was established in 2009 as a result of a \$2.5 million legacy to IHEU from Victor Kay.

The Endowment Funds are managed according to the investment strategy adopted by the Board, based on the needs of IHEU to make distributions and to preserve capital. Movements in the year include unrealised gains/(losses) and foreign exchange adjustments. Interest and realised gains from either Fund are utilised as free income.

# INTERNATIONAL HUMANIST AND ETHICAL UNION

## NOTES FORMING PART OF THE ACCOUNTS (continued) FOR THE YEAR ENDED 31st DECEMBER 2019

### ENDOWMENT FUNDS – comparative 2018

	Victor Kay Humanitarian Fund			IHEU Endowment Fund	Total
	Fund £	Revaluatio n Reserve £	Sub Total £	£	£
Brought forward at 1 January 2018	1,810,073	224,410	2,034,483	77,341	2,111,824
Gains on Exchange	-	100,978	100,978	-	100,978
Investment Income	40,700	-	40,700	-	40,700
Unrealised losses on Investments	-	(184,136)	(184,136)	-	(184,136)
Investment gains recognised in previous periods now realised	88,842	(88,842)			
Realised gains on Investments	84	-	84	-	84
Transfers to free funds	(75,000)	-	(75,000)	-	(75,000)
Investment Manager's Fees	(6,070)	-	(6,070)	-	(6,070)
	<u>£1,858,629</u>	<u>£52,410</u>	<u>£1,911,039</u>	<u>£77,341</u>	<u>£1,988,380</u>

### 12. RESTRICTED FUNDS

	At 01.01.19 £	Income £	Expendi- ture £	Transfers £	At 31.12.19 £
IHEYO	89	-	(89)	-	-
Membership Growth Fund	3,037	-	(400)	-	2,637
Human Rights Defence Fund	1,657	40	(1,697)	-	-
Human Wisdom Fund	300,517	-	(16,218)	-	284,299
Delegations Fund	1,230	-	-	-	1,230
Travel aid board members	-	13,200	(13,200)	-	-
Congress Travel Fund	3,802	-	-	-	3,802
Growth and Development	-	60,000	(46,076)	-	13,924
	<u>£310,332</u>	<u>£73,240</u>	<u>£(77,680)</u>	<u>£-</u>	<u>£305,892</u>

Restricted Funds consist of donations and grants received to fund specific projects.

- IHEYO is a formal part of IHEU as its youth wing and IHEYO's funds are segregated in IHEU's accounts.
- The Membership Growth Fund was created in 2009 with an anonymous donation to promote the growth of IHEU through the development of member organisations.
- The Human Rights Defence Fund is based on donations that can be used to meet the costs of defending victims of religious intolerance, for specific individuals and for political support action.
- The Human Wisdom Fund was created following a large donation in 2016 to specifically look at creating a training project on humanism and developing humanist communities as a centre for new digital tools.
- The Delegation Fund is used to support the participation of IHEU representatives at the international institutions.
- The Travel aid board members was created to support the travel and expenses for Board members from under-represented regions of the world.



# INTERNATIONAL HUMANIST AND ETHICAL UNION

## NOTES FORMING PART OF THE ACCOUNTS (continued) FOR THE YEAR ENDED 31st DECEMBER 2019

- The Congress Travel fund is used to support travel for humanists to the triennial World Humanist Congress.
- SOCH Nepal Earthquake is used to support victims of the 2015 earthquake in Nepal. This fund is expected to be wound up next year.

<b>RESTRICTED FUNDS – comparative 2018</b>	<b>At 01.01.18 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>At 31.12.18 £</b>
IHEYO	-	89	-	-	89
Membership Growth Fund	15,448	-	(12,411)	-	3,037
Human Rights Defence Fund	1,729	170	(242)	-	1,657
Human Wisdom Fund	300,517	-	-	-	300,517
Delegations Fund	1,230	-	-	-	1,230
Travel aid board members	1,216	-	(1,216)	-	-
Congress Travel Fund	3,802	-	-	-	3,802
SOCH Nepal Earthquake	15	-	(15)	-	-
	<u>£323,957</u>	<u>£259</u>	<u>£(13,884)</u>	<u>£-</u>	<u>£310,332</u>

### 13. UNRESTRICTED FUNDS

	<b>2019 £</b>	<b>2018 £</b>
<b>General Funds</b>		
Brought Forward	244,344	229,633
(Deficit)/Surplus on ordinary activities after tax	(149,429)	(60,289)
Transfer from Endowment Fund	75,000	75,000
	<u>£169,915</u>	<u>£244,344</u>

### 14. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	<b>Investments £</b>	<b>Debtors £</b>	<b>Cash at Bank £</b>	<b>Creditors £</b>	<b>At 31.12.19 £</b>
Endowment Fund	2,154,287	-	108,446	-	2,262,733
Restricted Funds	-	-	305,892	-	305,892
Unrestricted Funds	1,777	3,953	199,503	(35,318)	169,915
	<u>£2,156,064</u>	<u>£3,953</u>	<u>£613,841</u>	<u>£(35,318)</u>	<u>£2,738,540</u>

### ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS – comparative 2018

	<b>Investments £</b>	<b>Debtors £</b>	<b>Cash at Bank £</b>	<b>Creditors £</b>	<b>At 31.12.18 £</b>
Endowment Fund	1,807,743	-	180,637	-	1,988,380
Restricted Funds	-	-	310,332	-	310,332
Unrestricted Funds	-	4,091	286,756	(46,503)	244,344
	<u>£1,807,743</u>	<u>£4,091</u>	<u>£777,725</u>	<u>£(46,503)</u>	<u>£2,543,056</u>

# INTERNATIONAL HUMANIST AND ETHICAL UNION

## NOTES FORMING PART OF THE ACCOUNTS (continued) FOR THE YEAR ENDED 31st DECEMBER 2019

### 15. RELATED PARTY TRANSACTIONS

IHEU rents office space from one of its Member Organisation's, the British Humanist Association (operating as 'Humanists UK'). Rent and service charges paid are disclosed in note 3. The President of IHEU is the Chief Executive of Humanists UK.

### 16. LEASE COMMITMENTS

IHEU rents serviced accommodation and the current licence agreement runs until 31 March 2024. This agreement is on a rolling 4 month notice. The current monthly payment amounts to £1,365.55 and a rent review will take place in April every year.

### 17. INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £
Turnover	2	198,182	259	-	198,441
Operating Costs	3	(305,700)	(13,884)	(6,070)	(325,654)
<b>Operating Surplus/(Deficit)</b>	4	(107,518)	(13,625)	(6,070)	(127,213)
<b>Investment Income</b>					
Overseas Interest Receivable		3,587	-	-	3,587
Interest Receivable		47	-	-	47
Dividends Receivable		-	-	40,700	40,700
Exchange Gains/(Losses)		43,605	-	100,978	144,583
		47,239	-	141,678	188,917
<b>Gains/(Losses) on Investments</b>					
Realised Gains	7	-	-	84	84
Surplus on ordinary activities before tax		(60,279)	(13,625)	135,692	61,788
Taxation	5,6	(10)	-	-	(10)
Surplus on ordinary activities after tax and before transfers		(60,289)	(13,625)	135,692	61,778
Transfers		75,000	-	(75,000)	-
Surplus on ordinary activities after tax and transfers		14,711	(13,625)	60,692	61,778
<b>Statement of total recognised gains and losses</b>					
Surplus on Ordinary Activities after Tax and Transfers		14,711	(13,625)	60,692	61,778
Unrealised Gains/(Losses) on Investments	7	-	-	(184,136)	(184,136)
Total Gains recognised in the year		14,711	(13,625)	(123,444)	(122,358)
Funds Brought Forward at 1st January		229,633	323,957	2,111,824	2,665,414
Funds Carried Forward at 31st December		£244,344	£310,332	£1,988,380	£2,543,056