

Charity number: 1145084
Company number: 07715471

Human Capability Foundation
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 December 2015

Human Capability Foundation
(A company limited by guarantee)

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Legal and administrative information

Charity number 1145084

Company registration number 07715471

Business address Flat 4
10 Crossfield Road
London
NW3 4NS

Registered office Flat 4
10 Crossfield Road
London
NW3 4NS

Trustees Natasha Pagarani
Davinder Pagarani
Luke Pagarani

Secretary Natasha Pagarani

Auditors VSP Limited
23A Lyttelton Road
Hampstead Garden Suburb
London
N2 0DN

Human Capability Foundation **(A company limited by guarantee)**

Report of the trustees (incorporating the directors' report) for the year ended 31 December 2015

The trustees present their report and the financial statements for the year ended 31 December 2015. The trustees, who are also directors of Human Capability Foundation for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Human Capability Foundation was registered as a charity in December 2011. The three trustees are:

Luke Pagarani
Davinder (Danny) Pagarani
Natasha Pagarani

In 2015, Giant Exports Services Ltd. made a donation to the HCF of £500,000. Giant Exports Services Ltd. is a subsidiary of T. Choithram & Sons (London) Limited. (TCS London). TCS London is also the parent company of Natco Foods Ltd. Luke Pagarani is Managing Director of Natco Foods Ltd. and Natasha and Danny Pagarani are also involved with the management of the business. Natco Foods Ltd. is a company based in the UK whose core business is the sourcing, processing and distributing of foodstuffs from around the world to consumers primarily in the UK. Since the HCF's inception, Natco Foods has donated a portion of its profits to the foundation, and it is the intention of TCS London and its other subsidiaries to continue this support, as contributing positively to sustainable human flourishing in societies across the globe is the primary purpose of its existence.

Natasha Pagarani is the foundation's secretary but the three trustees jointly manage the foundation, and meet informally on a weekly basis to discuss progress the individuals have made on researching and dialoguing with organisations.

Objectives and activities

The aim of the Foundation is to foster and enhance the capability of individuals and communities to manifest self-sustaining and rewarding lives for themselves, their communities and future generations.

Achievements and performance

This year has seen a significant increase in the total size of the grants we have approved, from £38,000 in 2014 to circa £300,000 in 2015. This figure includes grants that will be active during 2016 and one major 3 year core grant with TARSHI (Talking About Reproductive and Sexual Health Issues) that will end with Q1 2018. We have been impressed with the quality of the work of TARSHI and feel secure that the 3 year grant will further enable them.

We made one research trip to India in December 2015 where we met with potential grantees and current grant holders. This trip included a return to Kolkata, last visited in 2013, and another trip to Delhi. As part of that trip Luke met with our consultant Pramada Menon. Pramada's work continues to be extremely helpful in identifying and assessing organisations to work with.

Our rights based approach continues and we are looking into new areas where it can be successfully applied. In 2015, we continued our support of Green & Black Cross. Project funding to Kolkata-based LBT NGO Sappho for Equality came to an end in March but discussions have continued for potential future funding. A number of new organisations have been awarded grants.

The HCF has not been involved in general fund raising activities but is focusing all available resources on finding the best means to achieve its charitable objectives.

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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2015

Financial review

Total grants in 2015 approved the Foundation were £300,682.10.
Two donations totalling £500,000 were received from Giant Exports Limited.

Statement as to disclosure of information to auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

Auditors

VSP Limited were appointed auditors to the charitable company and are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

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Report of the trustees (incorporating the directors' report)
for the year ended 31 December 2015

On behalf of the board

Natasha Pagarani
Secretary

Human Capability Foundation
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Independent auditor's report to the trustees of Human Capability Foundation

We have audited the financial statements of Human Capability Foundation for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charity's trustees, as a body, in accordance with Section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The trustees' (who are also directors for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

The trustees have elected for the financial statements not to be audited in accordance with the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006, and whether the information given in the Trustees' Annual Report is not consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Annual Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Human Capability Foundation
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Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31 December 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 2006.

.....
Jayshree Pankaj Patel
For and on behalf of VSP Limited
Chartered Accountants and
Registered Auditors

23A Lyttelton Road
Hampstead Garden Suburb
London
N2 0DN

Human Capability Foundation
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Statement of financial activities

For the year ended 31 December 2015

	Unrestricted funds	2015 Total	2014 Total
Notes	£	£	£
Incoming resources			
Incoming resources from generating funds:			
Voluntary income	500,000	500,000	1,616,616
Total incoming resources	<u>500,000</u>	<u>500,000</u>	<u>1,616,616</u>
Resources expended			
Donation	241,916	241,916	38,342
Accountancy fees	900	900	900
Auditors' remuneration	3,000	3,000	3,000
Legal and professional fees	5,400	5,400	2,400
Other office expenses	-	-	74
Bank charges	310	310	558
Total resources expended	<u>251,526</u>	<u>251,526</u>	<u>45,274</u>
Total funds brought forward	3,432,016	3,432,016	1,860,674
Total funds carried forward	<u>3,680,490</u>	<u>3,680,490</u>	<u>3,432,016</u>

The notes on pages 10 to 12 form an integral part of these financial statements.

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Income and expenditure account

For the year ended 31 December 2015

	Notes	2015 £	2014 £
Income		500,000	1,616,616
Operating expenditure		(251,216)	(44,716)
Operating surplus		<u>248,784</u>	<u>1,571,900</u>
Interest payable and similar charges		(310)	(558)
Retained surplus for the financial year		<u><u>248,474</u></u>	<u><u>1,571,342</u></u>

The notes on pages 10 to 12 form an integral part of these financial statements.

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Balance sheet
as at 31 December 2015

	Notes	£	2015 £	£	2014 £
Current assets					
Cash at bank and in hand		3,684,390		3,435,916	
		<u>3,684,390</u>		<u>3,435,916</u>	
Creditors: amounts falling due within one year					
	5	(3,900)		(3,900)	
		<u>(3,900)</u>		<u>(3,900)</u>	
Net current assets			3,680,490		3,432,016
			<u>3,680,490</u>		<u>3,432,016</u>
Net assets			<u>3,680,490</u>		<u>3,432,016</u>
Funds					
	6		3,680,490		3,432,016
Unrestricted income funds			<u>3,680,490</u>		<u>3,432,016</u>
Total funds			<u>3,680,490</u>		<u>3,432,016</u>

The financial statements were approved by the board on 9 September 2016 and signed on its behalf by

Natasha Pagarani
Director

Luke Pagarani
Director

The notes on pages 10 to 12 form an integral part of these financial statements.

Human Capability Foundation
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Notes to financial statements
for the year ended 31 December 2015

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

1.3. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. 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 comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

2. Net incoming resources for the year

	2015	2014
	£	£
Net incoming resources is stated after charging:		
Auditors' remuneration	3,000	3,000
	<u> </u>	<u> </u>

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Notes to financial statements
for the year ended 31 December 2015

3. Employees

Employment costs

No salaries or wages have been paid to employees, including the trustees, during the year.

Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

2015	2014
Number	Number
3	3
<u>3</u>	<u>3</u>

4. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

5. Creditors: amounts falling due within one year

	2015	2014
	£	£
Accruals and deferred income	3,900	3,900
	<u>3,900</u>	<u>3,900</u>

6. Analysis of net assets between funds

	Unrestricted funds	Total funds
	£	£
Fund balances at 31 December 2015 as represented by:		
Current assets	3,680,490	3,680,490
	<u>3,680,490</u>	<u>3,680,490</u>
	<u>3,680,490</u>	<u>3,680,490</u>

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Notes to financial statements
for the year ended 31 December 2015

7. Unrestricted funds

	At	Incoming	At
	01.01.2015	resources	31.12.2015
	£	£	£
Donations	3,432,016	248,474	3,680,490

Purposes of unrestricted funds

To promote such purposes as are exclusively charitable in accordance with the laws of England and Wales as trustees may from time to time determine.

8. Company limited by guarantee

Human Capability Foundation is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.