

ANNUAL REPORT 2018/19

United Purpose 
Beyond aid

Company No. 1278887





Leadership at United Purpose

Board of Trustees (2018-2019)

Peter Ayres (Chair)
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Kathryn Llewellyn, CEO
 Peter Sargent, COO
 Hannah Pudner, Global Director of External Affairs
 Tim Kellow, Cluster Lead (West Africa and Brazil)
 Helena Skember, Cluster Lead (Southern Africa and Asia)

Image: Our Senegal-based partner, Jokalante, transmits useful information in local languages (via mobile phones and community radio stations) to farmers living in hard-to-reach areas. Equipping farmers with vital information on weather, farming methods and market prices empowers them to grow more food to eat and increase their incomes.

Foreword from the Chair	5
Message from the CEO	6
What we do	8
How we do it	9
Our world	10
Thank you	12
Stories from our work...	14
Livelihoods	15
Health	18
Climate	20
Violence/Exploitation	22
Sport	24
Humanitarian	26
Our social enterprises	28
Strategic report: Structure, governance and management	30
Structure	30
Cluster model	31
Financial Review	32
Reserves policy	33
Going concern	33
Managing risks and uncertainties	34
Safeguarding	36
Trustees	37
Trustee recruitment and appointment	37
Trustee induction and training	37
Related parties and relationships with other organisations	38
Remuneration policy for key management personnel	38
Public benefit	38
Statement of responsibilities of trustees	39
Fundraising statement	40
Plans for the future	41
Additional information: auditors, banks and solicitors	42
Appendices	43
Appendix 1: Our global output indicators	43
Photo credits	46



Foreword from the Chair

This year has been another momentous one for United Purpose. We have embedded our new Global Strategy across the organisation and continued to deliver our transformative global programmes. None of this would have been possible without our worldwide community of ambassadors, volunteers, donors, staff and partner organisations. As always, we are grateful for your continued support.

2019 has undoubtedly been another challenging year globally. We have seen the devastating impact of natural disasters like Cyclone Idai in Mozambique, while the plight of Rohingya refugees in Bangladesh remains an unprecedented global crisis. Closer to home, the UK's imminent departure from the European Union has created a climate of uncertainty and division.

In a world where extreme inequality is deepening, and climate change threatens the livelihoods of the poorest and most vulnerable communities, organisations like United Purpose must continue to act. It is more important than ever that we work with people in the world's most challenging places to enable them to become independent and stand on their own two feet. We are determined to keep responding and adapting to these challenges, empowering people to earn better livelihoods, lead healthier lives, exercise their rights and build environmental resilience.

During 2018-19, we worked towards four strategic change objectives – health, livelihoods, climate and violence/exploitation – and focused on the interconnections between each of them. This year, United Purpose provided 108,277 people with access to safe water, helped 148,056 people increase their incomes, planted 1,744,047 trees, and trained 1,799,683 people in advocacy and human rights. We have reached 3 million people worldwide through our projects this year and we are incredibly proud of the work delivered by our Country Programmes and local partners.

You can read Martina's story on page 19, where you'll find out how we worked with her community to construct an accessible toilet for her. Through our sanitation programme in Nigeria, we have helped 387 villages to improve hygiene and sanitation, with a strong emphasis on leaving no one behind. We are proud to be a leading agency in the Nigerian sanitation sector and we have made five entire Local Government Areas in Nigeria Open Defecation Free.

Meanwhile, on page 21, you'll learn how changes in the weather have negatively affected smallholders such as Adams Alhassan and how our EU-funded project has helped turned his business around. This story is just one example of the 1,788,325 people we have worked with over the past five years to increase environmental resilience in the face of climate change.

Despite the challenges we face, we continue to strive for excellence in everything we do, ensuring that our projects are as diverse and innovative as possible. People are at the heart of what we do, from the project manager in Ghana, to the fundraising assistant in the UK. We also benefit from a dedicated Board of Trustees which carries out its responsibilities in a cooperative way with management and staff.

We are so grateful for the practical and financial support we receive – the support that enables us to empower communities to lift themselves up out of poverty and move beyond aid for the long term. Thank you.



Peter Ayres
Chair of the Trustees



Message from the CEO

It's been a year of change, both globally and in the international development community. More than ever, organisations like United Purpose are evolving. We are adapting to an ever-changing set of global, political, economic and environmental circumstances, as well as acclimatising to shifting demands from donors and regulators.

This year, we have reflected deeply on our approach to our vital development work, as well as to safeguarding and our organisational culture. The people and communities we have the privilege of working alongside are at the centre of everything we do. In this context, the way in which we respond to development challenges is just as important as what we actually do to respond. We have worked hard to create a deeper awareness of how our words and actions have the potential to create unhelpful power dynamics.

At United Purpose, we are proud to deliver community-led programmes where people are in control of their own development. In this report, you will read many inspiring stories from our work, but as you will see our ultimate goal is to leave people and communities with agency over their own lives. We believe it is only this that will bring true independence to those living in some of the world's most challenging places, and empower them to move beyond aid.

One of the ways we do this is through our growing portfolio of social enterprises (see page 28). These include CUMO, our successful Malawi-based microfinance organisation that provides people in remote areas with vital financial services to start and strengthen businesses. There's also our carbon initiative – an innovative funding model where we sell carbon credits and reinvest the money we raise into vital community development projects.

This year, we reached 3 million people across 16 countries. I am, as always, so grateful to our dedicated staff, volunteers, partners and community of supporters – thank you so much to you all. I look forward to making next year an even bigger success in our endeavour to create a world where justice, dignity and respect prevail for all.

Kathryn Llewellyn
CEO



Our Women's Business Centres in Bangladesh provide marginalised women with access to services in remote areas and improve economic livelihoods for entrepreneurs and female producers. By August 2018, 40 Women's Business Centres had been established, with 200 trained entrepreneurs benefiting the lives of approximately 40,000 women.



UNITED PURPOSE IS A MOVEMENT OF PEOPLE AND ORGANISATIONS THAT STRIVE TO END POVERTY AND INEQUALITY ACROSS THE GLOBE

United Purpose is a leader in community-led development and grassroots innovation. For more than 40 years, we have worked with frontline activists, community organisations and individuals to help people to gain agency over their own lives – so they can forge independent futures.

We take this approach because we believe a person's ability to determine their own future should never be dependent on benevolence or charity, but always within their own control. We strive to achieve that world.

What we do

We take an integrated, holistic approach to addressing poverty and inequality. We do this because we believe the problems that people face, such as lack of clean water, low income, not enough food and denial of rights, are all interrelated. If an adult cannot access safe water then they are unlikely to have good health, and as such will find it difficult to secure an income to keep their children in school.

During 2018-19, we worked towards four strategic change objectives, focusing on the connections between each of them:

- **Health:** To improve health by increasing access to basic services, such as water, sanitation, primary healthcare and emergency aid and shelter
- **Livelihoods:** To empower people to have more resilient and sustainable livelihoods, and ensure that economic growth is equitable
- **Climate:** To improve environmental resilience by supporting communities to adapt to the changing climate in their region
- **Violence/Exploitation:** To combat violence, exploitation and conflict by tackling the root causes, supporting victims and building peaceful futures

We believe that aid should focus on the transferral of power, and on enabling people to improve their lives themselves. Traditional aid primarily responds to this by focusing on access to basic needs, but it must also work to leave people independent, and free from the need for aid.

We recognise that it is essential to prove the difference we are making in the world and to learn, reflect and improve what we are doing. We therefore place a huge emphasis on monitoring and evaluation to ensure we achieve sustainable results and continually increase our impact.

Under our four change objectives (health, livelihoods, climate change and violence/exploitation), we collate 30 output indicators on an annual basis. Each country programme collects this information from their projects and the information is collated and analysed in the UK. Several of our larger health, sanitation and livelihoods projects came to an end this year, which is why some of the numbers for 2018-19 are lower than previous years in the reporting period. It is for the same reason that the overall number of people we reached has reduced to 3 million this year.

How we do it

We specialise in community-led mobilisation. We take this approach because we believe that significant and sustainable change will only happen if we harness collective knowledge, skills and resources. This starts with community-level partnerships; the voices of those we work with are at the forefront of everything we do. This may involve our staff participating in joint operations, supporting and monitoring work, or funding local partners to deliver services.

The grants we provide to partners help local organisations provide sustainable benefits for poor and marginalised communities, furthering our own objectives. We carefully consider the experience, reach and governance of potential partners, as well as the value they will add to our work.

Our international office is based in Cardiff, in the UK, with country offices in Bangladesh, Brazil, Ghana, Guinea, the Gambia, Malawi, Mozambique, Nigeria and Senegal. We combine direct delivery with delivery through partners and/or by taking an advisory role with other partners – from smaller community organisations right up to regional governments.

We are proud of our devolved structure, which sees our country offices taking a lead on country strategy development, programme delivery and management, grant fundraising and managing relationships with partners and donors.

At the Cardiff office, we develop and take care of our supporter base in the UK and provide global technical, logistical, financial, operational and administrative support. We also represent United Purpose to international funding and operational partners, co-ordinate overall strategy and contribute towards the development of in-country and regional strategy programme development by communicating with staff, trustees and other stakeholders on governance and key management issues.

In a number of our country programmes, we also operate across borders in near neighbours – for example, Cameroon. In other countries, where we do not have an UP office, we manage projects through local partners. This is the case in India, Kenya, Uganda, Rwanda and South Africa, which have been brought into our programming mix through our mergers and partnerships.

Our family of organisations currently includes United Purpose, Village Aid – a proudly Derbyshire-based fundraising charity – and International Inspiration, the London Olympics-linked initiative that uses sport to uphold rights and promote development and peace. We're also joined by our carbon credit initiative and CUMO, a highly successful Malawi-based microfinance organisation that was initially set up in 2000 with a grant from UK Aid.

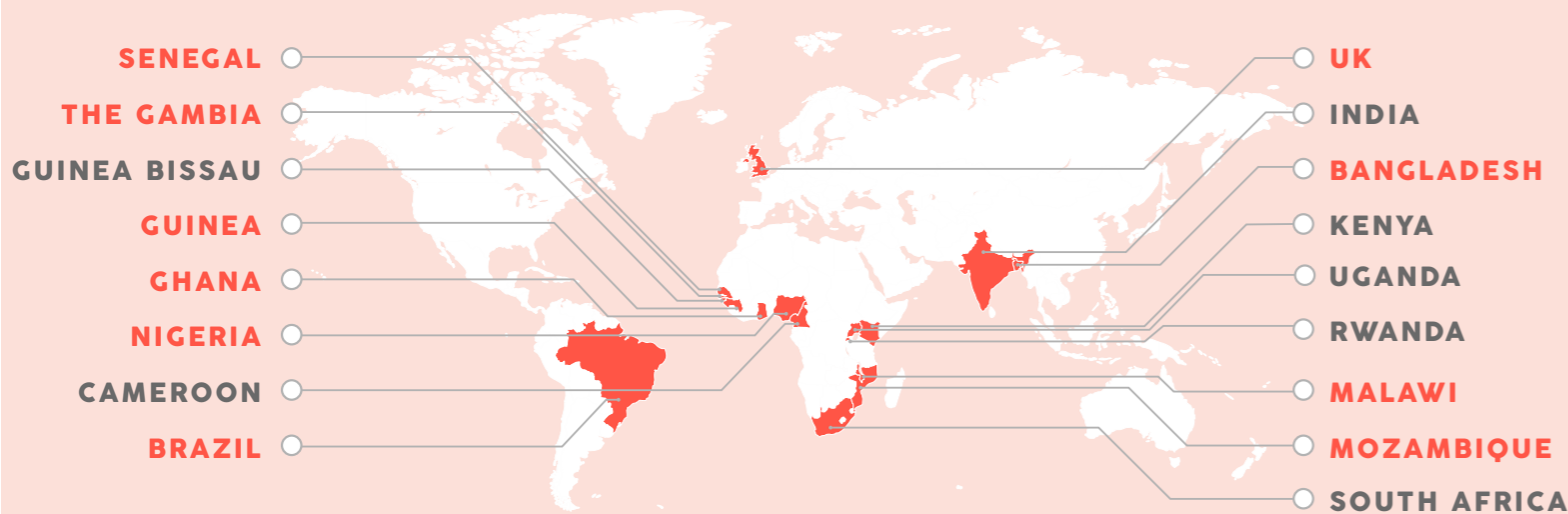
Together as a group of organisations we can do much more together than we could separately.

The trustees present their report and the audited financial statements for the year ended April 2018. Reference and administrative information set out in the financial review forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Accounting and Reporting by Charities Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

2018
2019

OUR WORLD

IN NUMBERS



UP COUNTRY OFFICES
PARTNER PROGRAMMES

Health

108,277 people with access to safe water



803 open Defecation Free villages

753,177 mosquito nets distributed



Livelihoods

148,056 people with increased incomes



389,041 people with more food

48,683 new or stronger businesses



Climate



226,779 people using fuel-efficient stoves

171,541 people trained in environmental resilience

1,744,047 trees planted



Violence



1,799,683 people trained in advocacy or human rights

45,514 people demanding accountability from their government



1,079 community-led lobbying actions



100 projects

96 local partners

557 staff members

3 million people reached

Thank you

Our work would not be possible without all of the wonderful people who volunteer and fundraise here in the UK. We'd like to say a huge thank you to everyone who has supported us and enabled us to make a real difference to the lives of people and communities across the world.

Perhaps you fundraised for us or provided valuable monitoring and evaluation support. Or maybe you spoke at an event on our behalf, donated to our Cyclone Idai appeal, or simply helped spread the word about United Purpose. Whatever it was, we are extremely grateful and we couldn't do what we do without your support.

We reached 400 pupils

through our newly launched **Food Futures Programme** across 19 secondary schools in Monmouthshire, Wales, and Herefordshire, England, with support from Avara Foods. This programme provides educational materials and an interactive workshop on sustainability to support the GCSE Geography syllabus.



We held an event at the House of Lords

which showcased our ambitious work around the world. We were joined by politicians, businesspeople and representatives from other NGOs, all with an interest in finding out more about United Purpose.



We're proud to have been shortlisted in the Innovation category for Bond's International Development Awards

This recognised our creative work that links fuel-efficient cookstoves, clean water, carbon credits and women in Malawi becoming economically independent.



With your support, we secured

£36,000

to help people affected by **Cyclone Idai in Mozambique.**

Since March, we've been providing emergency shelter, food, hygiene and agriculture support.

Our fifth annual **Global Handwashing Day in Nigeria** was another great success.

Through our mass handwashing events, in partnership with PZ Cussons, we reached:

239 schools
57,836 children
2445 hygiene heroes



We celebrated **Bekwarra Local Government Area's attainment of Open Defecation Free status**, as part of our WASH programme in Nigeria. Thanks to this,

131,000 people

now live in clean and healthy environments with access to toilet facilities – an extraordinary achievement to improving sanitation and building healthier lives.



We were delighted to be shortlisted for the **2018 Not A Red Card Awards** for our

'Get some SPACE'

collaboration with The Thrive Programme. We're delighted to be joining the conversation about mental health and wellbeing in the workplace – and why it's **#NotARedCard offence!**





Stories from our work...

Over the following pages, we present some highlights from our work in 2018-19 under our four change objectives: livelihoods, health, climate and violence/exploitation. We also feature key achievements from our humanitarian work and our sport for good initiatives.

Livelihoods

Over the past 40 years, we have built up a wealth of knowledge and expertise in improving livelihoods. Much of our recent work has focused on raising incomes among poor rural communities. We improve resilience by promoting livelihoods that can adapt to the demands of a changing climate, and by focusing on the growth and expansion of local markets.

Senegal: Improving children's lives

Ndiaga is 14 years old, but until recently he could not read or write. Like many children who attend the Quranic schools, or 'daaras' across West Africa, the level of education he received was far from adequate.

Ndiaga is one of the children to benefit from a United Purpose project that works with people in Dakar, the capital of Senegal, to provide education and healthcare to enable children to escape the cycle of poverty.

The living conditions are extremely harsh in the daaras and multiple children and adults live, eat, sleep and learn in the same small space, with little or nothing in the way of sanitation and water. Pupils often remain illiterate, facing a life of poverty and vulnerability once they leave the daaras.

Our project, Action for the Rights of the Child (ARDEN), helps 100 young boys from three daaras in the region of Dakar to raise awareness of children's rights and build their skills. The project is funded by Penny Appeal and led by our partner, RABEC (Réseau d'Associations pour le Bien-Être Communautaire). This local NGO has a great deal of experience in child protection, youth development, reproductive health, citizenship and women's empowerment.

The project focuses on children and their wellbeing by improving their living environment, making sure that healthcare is accessible and promoting empowering sport activities. We installed operational toilets, enrolled the children in an insurance scheme for their medical fees and organised yearly medical check-ups on site. A local organisation worked with the children to build skills and confidence through activities like juggling, acrobatics, gymnastics and trampolining.

At the end of the project, we will help children who have returned back to their homes to run their own personal projects and we will work with communities to develop awareness about child protection.



Context

United Purpose has worked in Senegal since 2006 to develop livelihoods projects that build social capital. In a country where the illiteracy rate is over 50% – and in Dakar alone, around 60,000 children beg on the streets – this project helps to encourage child education and also human rights awareness. In 2018-19, through this project and our other initiatives, we reached 52,327 people.

Malawi: Transforming family lives

Esther Mkaundi is one of many women who have found a lifeline through stove making in a tiny village tucked in Dedza district in the central region of Malawi. This activity keeps Esther and her family financially afloat in a country crippled by economic crisis.

In 2016, United Purpose funded a project to start a stove production group. Women in the community were trained on how to mould a clay fuel-efficient stove and taught basic business skills. Money from the sales of the stoves helped families buy food in the lean season, buy fertilisers and hire workers for their farms, and pay school fees for their children.

The group has 25 women, and since receiving training, production has grown from 300 stoves per production cycle to an average of 1,500. The women work from a purpose-built warehouse which they paid for with money from sales of the stoves. This new space means that the stoves no longer take up space in their homes.

In an area where women are generally seen as subordinate to men, the project has helped to empower the women financially and in turn helped to make their decisions count in many spheres of society. Esther says that men have started to respect women and family decisions are made together because the women contribute financially. Esther's husband even helps her with the stove work because he knows that it will support them.



Context

United Purpose has worked in Malawi since 1988 and initially supported refugees from the Mozambican civil war and their hosts in the Dedza area. Today we are one of Malawi's largest NGOs, working in partnership with local government and communities across 14 districts mainly in central and southern Malawi. Over the years we have developed a trusted reputation with most of the established institutional and non-institutional donors and organisations in the country. We work in partnership with others to implement development interventions that improve lives through a range of projects, including microfinance and income generation, livelihoods, food security, health and nutrition, and sustainable energy.

Guinea: Boosting women's businesses

In Guinea, rural women are economically dependent on their husbands, often competing in polygamist households for limited resources to cover basic needs. Women often undertake several livelihood activities but are not able to exploit these to significantly increase their incomes and overcome their poverty, which makes them vulnerable. They are often excluded from decision making on family resources, particularly in agriculture.

We are improving the livelihoods of rural women in Guinea by increasing their access to and participation in the Non Timber Forest Products (NTFPs) market system. These products are useful substances obtained from forests that do not require cutting down trees. They are a key diversification strategy for women, and provide vital cash income, nutrition and medicine.

Over the last four years we have worked with rural women to establish 59 micro-enterprise groups, which are now trading and selling products like baobab leaves, honey, shea, African locust beans and tamarind in local and national markets.

Through their groups, women negotiate, develop partnerships, generate incomes and save money to invest in their businesses. As entrepreneurs, women decide on their business and the direction of their income generation while trying to increase their business capital.

All of the micro-enterprise groups have started to implement their business plans and all have built up a cash capital ranging between £150 and £500 per group. On average, the enterprises have increased their cash capital by 357% from the start of the project, after deduction of investment costs such as market surveys, enterprise formalisation and training.



Context

Guinea is one of the world's least developed countries, with 55% of the population living below the poverty line, mainly in rural areas. Our work in Guinea focuses on developing people's skills to feed their families, providing clean water and educating people about hygiene and sanitation. We have helped eliminate cholera from one area of the Forest Region of Guinea.

Health

This year, we have worked with people to help them live more healthily by strengthening primary healthcare and providing safe water and improved sanitation. Our national awareness campaigns and local workshops have supported communities to access basic health services and ensure that their water and sanitation provision is sustainable.

The Gambia: Helping mothers be mothers

Muhammed is just three years old and lost his mother when he was a baby. He's being raised by his grandmother, Jaye, but in a country of food shortages, getting enough to eat with the required nutrients is a real struggle.

Although the rate of child mortality in the Gambia has decreased by over 50% in the last decade, it is sadly still common for young children to die due to limited knowledge of nutrition and a lack of support to address this.

Our Biofortification project, or Baluu Tim-Maring-Ngo as it is known in the local language, is aimed at reaching women and the under-fives who are especially vulnerable (like Muhammed and Jaye), by increasing their access to, and encouraging them to eat, fortified foods high in vitamins and minerals.

Biofortification involves improving the nutritional quality of food crops through agricultural practices, such as plant breeding. It aims to increase nutritional levels in crops as they grow, rather than through processing or cooking. Our project combines a focus on agriculture with an emphasis on healthier ways of food preparation and cooking, to improve the nutritional content of food and boost public health.

A key strategy for encouraging babies and toddlers to grow up healthily has involved establishing or strengthening 300 'Mother Clubs' across the country. These Mother Clubs promote nutrition education, through sharing information and offering cooking demonstrations that show ways of preparing healthy and nutritionally balanced food. We work closely with women who are pregnant or breastfeeding, but also involve all women of child-bearing age.

Muhammed and Jaye are just two of the thousands of rural people who have benefited from our project. "The importance of the Mother Club to our community cannot be over-emphasised. I can go on talking about our Club all day!" Jaye tells us.



Context

The Gambia has gone through a democratic transition and seen the arrival of a more open society after the end of 20 years of authoritarian rule. However, it is still financially unstable and agriculture is critical to the livelihoods of many. United Purpose helps the poorest farmers to grow enough food and earn a decent living. We are committed to working with our wide range of local partners to increase the Gambia's resilience and capacity to respond to disasters, and move people beyond aid.

Nigeria: Making hygiene accessible for all

Martina's legs did not form properly during her childhood, and she has never been able to walk. While this would create challenges for anyone, Martina's struggle was exacerbated by not having access to a toilet or handwashing facilities. As a child her mother would carry her to the bush to relieve herself, and after she married her husband would help too. However, with the tragic loss of her husband at a young age, and with her mother rapidly ageing, Martina was forced to crawl into the bush on her hands to go to the toilet.

Fearful of snakes and insects, as well as the threat of sexual violence every time she ventured into the bush, Martina could not properly focus on her family or budding hairdressing business before United Purpose came to her village.

Through our project, Martina's community were shown how to construct an accessible toilet and Tippy Tap (a simple handwashing device) for her. Within just a few weeks from the point of engagement, and in exchange for some free hairdressing, Martina's fellow villagers built her accessible facilities fit for any businesswoman.

Now, Martina is both happier and healthier. No longer forced to face the danger and discomfort of the bush every time she needs to use the toilet, and no longer spending money on hospital visits for her children to treat diseases carried by dirty hands, Martina can focus all her energy on her business.

Through engagement with United Purpose, Martina can finally live her life to the fullest, growing her business and funding her children's education. The training truly left its mark on her, and she now spreads her knowledge about the importance of hygiene, including proper handwashing at critical times, to all those she meets.



Context

The Rural Sanitation and Hygiene Promotion in Nigeria (RUSHPIN) Programme, implemented by United Purpose and funded by the United Nation's Global Sanitation Fund — the sanitation and hygiene funding body of the Water Supply and Sanitation Collaborative Council (WSSCC) — aims to end open defecation and poor hygiene practices in Nigeria using the innovative 'Community-led Total Sanitation' (CLTS) technique. In 2018-19, through this project, we empowered 387 villages to become Open Defecation Free.

Climate

One person every second loses their home due to climate change. The effects of deforestation and extreme weather events associated with climate change are being felt the most by rural communities, causing hunger, financial hardship and isolation. United Purpose helps families cope with the changing climate in their region, by adapting how they live or providing facilities to help them cope.



Ghana: Making climate change part of the conversation

Adams Alhassan, 52, is a smallholder farmer in the Brong Ahafo region of Ghana. He has worked in farming for over 30 years and has a family of nine to support. Over the past five years, changes in the weather have negatively affected his farming business and he has earned less money as a result.

However, training he received as part of our EU-funded project on improving farmers' livelihoods, skills and climate resilience has turned his business around. The training focused on soil management and climate-smart agricultural practices.

"I am overwhelmed with the results," Adams tells us. "With the use of improved seeds and climate-smart farming practices, I have increased my yield. This has boosted my income, which enables me to cater for my household needs."



Context

United Purpose has worked in Ghana since 1999, building meaningful relationships and strong networks of local partners. The agricultural sector is a mainstay of the Ghanaian economy, with 52% of the labour force involved in agriculture – the majority of which is rainfed. Adams is just one of 500 smallholders we have worked with to increase resilience and irrigation management. As part of this project, we are also training 3,000 entrepreneurs in farm management and business development – the majority of whom are women.

Violence/Exploitation

Many of the communities we work with are increasingly fractured and fragile. We help to build peace by creating opportunities between conflicting groups to promote mutual understanding, trust, empathy and resilient social ties. Over the last 20 years, we have successfully implemented over 20 peacebuilding programmes in West Africa, Colombia and Kenya. We also work on other forms of violence and exploitation, especially those directed at women and children. We help victims and place a big emphasis on innovative strategies to tackle the root causes.

Brazil: Upholding women's rights

While over one million people in Paraíba State in Northeast Brazil live with poverty, it's women from low-income communities who are most vulnerable. There's a high incidence of violence against women and typically it is the men who control the family money.

Our 'Economic Empowerment; Better Lives' project sets out to enable women to gain more control by giving them the resources and skills to generate their own income and plan for the future. The project focuses on women from traditional Quilombo (slave descent) communities, those living on the outskirts of towns and cities, those living in rural communities and those who gather and sell shellfish.

Importantly, though, not only does our project put money into the hands of women but it also tackles gender inequality issues directly. The work and domestic contribution of women in Brazil usually goes unrecognised or undervalued by husbands, partners and communities. To address this, and the high incidence of violence against women and children in the Northeast, we also challenge inequality and violence through discussion and reflection on gender issues.



"The project has helped me and the other women in the group to realise that violence against women isn't normal," says Francinete Goncalves Costa, a 47-year-old artisan and just one of the 150 project participants. "It has also helped me to understand myself and my rights better."

Context

In 2018-19, we directly reached 8,830 people in Brazil through our rights-based work. This particular project, funded by Penny Appeal, provides women with the equipment, materials and training they need to improve the quality of their products, increase sales and improve access to market. It also supports women to register their businesses – a vital step that will give them a better chance of securing financial support and making greater sales. Finally, all the women involved participate in workshops, meetings and visits to help them develop strategic plans on how best to grow their businesses in future – so that they will be self-sufficient for years to come.

Bangladesh: Healing from trauma

Fatima (not pictured) is 32 years old. During the military crackdown in Myanmar, she lost her husband and was badly injured herself. She and her mother managed to flee and made the perilous journey to Bangladesh with no shelter, food or security. They now share a hut in a sprawling refugee camp. They access United Purpose's safe spaces in order to make friends, talk with other women and ultimately try to heal from the violence they experienced.

Since August 2017, nearly one million Rohingya people, a minority Muslim group, have fled to Bangladesh from neighbouring Myanmar due to violence and conflict. An estimated 6,700 Rohingya people were killed a month after conflict broke out, leaving many people vulnerable, wounded and traumatised.

Last year, United Purpose secured just under half a million pounds to support the Rohingya refugee camp in Cox's Bazar. This has been used to provide emergency relief and help the Rohingya community move past the traumas of the violence they experienced.

United Purpose has established 25 communal areas, or 'safe spaces', where children come to learn in the morning. There are toys, drawing books and coloured pens – standard items you'd see in schools across the world, where learning is encouraged through play and fun. Women like Fatima gather there in the afternoons and attend workshops on nutrition, hygiene, gender-based violence and family planning. Staff look out for those expressing post-traumatic stress disorder and refer them to counselling. So far, our centres have supported 1,250 women and children.



Context

Bangladesh is one of the most densely populated countries in the world and around 84% of the population live in poverty. United Purpose has worked in Bangladesh since 1994 and supports around 1.2 million people each year. Humanitarian aid is not usually an area of our work, but when the Rohingya crisis peaked in the summer of 2017, we were already working in the region, and trusted by Government and local communities, so it was natural that we would respond.

Sport

We embrace the universal power of sport to enable young people to rewrite the future. Sport can be a powerful tool to reach out to marginalised groups, especially disenfranchised young people, in some of the world's most insecure and challenging contexts. It is a vehicle for tackling sensitive issues and deeply rooted negative social norms, in a way that young people can relate to.



Malawi: More than sport

A group of young girls between 10 and 18 years gather together at the village ground which is close to the grazing area situated along the dusty road. The girls are enjoying the fresh air coming from the nearby trees. They are from a small village in Dedza District and they are meeting up for their regular netball sessions.



The village has low literacy levels, low community economic empowerment and low access to health services, safe water and sanitation. Most girls drop out of school early and they often marry young and experience gender-based violence.

With funding from Comic Relief, United Purpose is running a three-year project to inspire girls to reach their full potential through netball.

Gladys is one of the girls spotted at the village ground. Aged 15, she has just completed her standard 8 examinations and has been with United Purpose's Girls Inspired project for one year. Before joining the project, Gladys had no career goals; all she wanted was to finish her primary education and get married.

Now Gladys sees life differently. She is able to make informed decisions, has a stronger sense of self-worth and has a role model in Yamikani Flao, the Project Manager for Girls Inspired. She sees the netball sessions as more than a sport and the sessions have helped her overcome challenges and set clear goals in her life.

Sport can have a positive impact on mental as well as physical health, and helps young women like Gladys learn values such as resilience and team work. United Purpose uses netball as a means to inspire and empower the girls as leaders, enabling them to build a better future for themselves.



Context

We integrate sport within our community-based development programmes. Sport is an excellent tool to create a safe, dynamic and interactive learning environment, where young people can grow in confidence, explore their identity, discuss the challenges they face and develop essential life skills. Our Girls Inspired project will empower and enable 480 girls in Dedza to influence their lives and those of their peers through sport.

Humanitarian

Our approach to humanitarian work is based on responding to situations where we can make the biggest difference. We focus on areas where we already have strong relationships with communities and local authorities, which enables us to build on existing partnerships for a faster, more effective response. In 2018-19, we supported 331,551 people with emergency relief.



Mozambique: Recovering from natural disaster

When we met 23-year-old Lucia Simone, she was living in our accommodation centre in Mozambique with her husband and their toddler; she was also pregnant with a second child. After Cyclone Idai, they lost their farm, and barns full of food and livestock. They are lucky to be alive, but things are difficult, especially because Lucia's husband has health problems and she is disabled. She knows that our support will not solve all of their problems, but she is happy to have food and toiletries and is planning to start to grow their fields again.

In a country already suffering with extreme poverty and poor infrastructure, the impact of Cyclone Idai on Mozambique has been profound. Over a thousand people were killed and many more injured following the disaster. Thousands of homes in the regions of Manica, Sofala, Tete and Zambezia were destroyed, crops were damaged and schools were shut, disrupting the education of over 300,000 children.

This was one of our most difficult relief projects to date. We set up a temporary accommodation centre in a school in Paulo Samuel Kankhomba, a district of Sussundenga within the Province of Manica. The centre accommodated 30 families who all slept in the same room, while the rest of the school was reopened for the children to continue their studies.

We provided kits to support families like Lucia's and help them to get their lives back on track. Hygiene kits ensured that water could be purified and consumed safely, and prevented the future spread of waterborne disease. Basic food kits meant that families could cook and eat simple but nourishing meals. We provided temporary housing kits and training so that people could reconstruct their homes and we also distributed kits containing seeds and fertilisers to help produce crops in the lowlands.



Context

United Purpose began working with the people of Mozambique when many fled to Malawi as refugees during its long and bloody civil war. When refugees returned to their native Mozambique in the early 1990s, United Purpose went with them. We have been leading the relief efforts in the region of Manica thanks to funding from our donors. Through this project, we provided 750 households with emergency shelter, food, hygiene and agriculture support for the next harvest. We are looking at the long-term impact of Cyclone Idai and how to ensure that support is sustainable.

Our social enterprises

Our social enterprise model benefits individuals and communities by providing them with the means to earn a sustainable living. It also benefits us as an organisation by enabling us to diversify our income base – for the long term. Here we highlight three of our innovative social enterprise endeavours.



CUMO

Our micro-finance organisation, CUMO, works in remote areas of Malawi that most other financial service providers fail to reach. Our service enables entrepreneurs to start successful businesses and earn their own income. With a client base of over 81,000 – of which 83% are women – we are lifting more rural communities up out of poverty.

Judith, a seamstress and mother of three, is just one person whose business has been transformed thanks to CUMO. As a member, she received business skills training and access to loans to buy stock. “Now my business is doing well because I can buy material in advance, sew new clothes and take them to the market to sell,” she says.



Ethical carbon off-setting

Our carbon initiative is an innovative funding model where we invite people and organisations to buy carbon credits from UP. This reduces their carbon footprints and, at the same time, raises vital funds for our community development projects in rural Malawi.

Chrissy is one of the women we have trained. When her husband died, she was left to support her family. Thanks to our cookstove project in Malawi, she has now developed a sustainable living selling eco-friendly stoves.



Northern Ghana Shea

Northern Ghana Shea operates in the Upper West region of Ghana, where shea nuts and shea butter play a crucial role in local economic development. We established this enterprise in 2012 to provide a sustainable avenue for wealth creation and employment to rural women. We are currently working with over 1,000 women located in over 10 communities within four districts.

Mariama is one of the shea butter processors we have trained. She uses the income she generates from shea butter to pay her children’s school fees and buy nutritious food for her family.

Strategic report: Structure, governance and management

UP is a charitable company limited by guarantee, with registration number 1278887 and charity number 272464. It was incorporated on 27 September 1976 and established under a memorandum and articles of association (subsequently amended by special resolution dated 29 November 2003), which set out the objects and powers of the charitable company.

Structure

In November 2016, United Purpose was reborn out of Concern Universal as United Purpose, bringing together a group of organisations that could achieve far more together than they could separately. These organisations include: Village Aid, a Derbyshire-based fundraising charity, and International Inspiration, the London Olympics initiative that uses sport as a tool to promote development and peace. Our movement also includes CUMO, a successful Malawi-based microfinance organisation that was initially set up in 2000 with a grant from UK Aid.

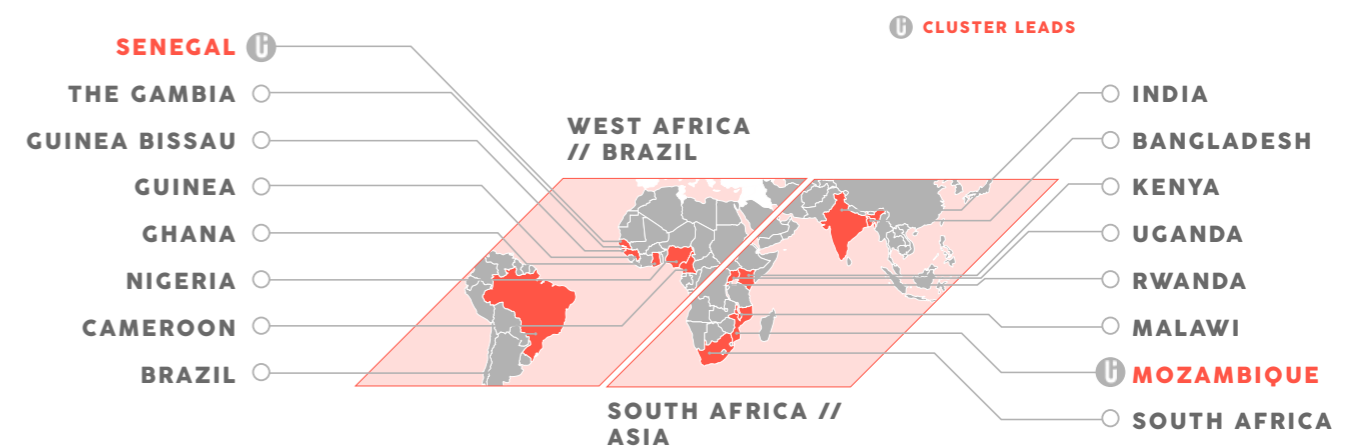
United Purpose's central office in Cardiff plays a support role to the nine country offices and leads on: global strategy development and delivery; governance; organisational funding, communications and public affairs efforts, as well as financial management and planning.

We have a devolved structure, with our nine country offices taking the lead on country strategy development (under the umbrella of our Global Strategy), programme delivery and management, grant fundraising and managing relationships with partners and donors. Our country offices are currently located in Bangladesh, Brazil, Ghana, Guinea, Malawi, Mozambique, Nigeria, Senegal and Gambia. We deliver projects directly, through our partners and/or through an advisory role with partners. We also operate across borders in near neighbours of our country programmes – for example, in Cameroon and Guinea-Bissau.

We work in partnership with many organisations because we believe sustainable change will only happen when we harness the collective knowledge, skills and resources of a wide range of actors – starting with community-level partnerships. In 2018-19, we worked with 100 local partners. We carefully consider the experience, reach and governance of potential partners, as well as the value they will add to our work. We closely monitor how grants are spent.

We also manage projects through local partners in the following countries where we don't have an UP office: India, Kenya, Uganda, Rwanda and South Africa. These projects have been brought into the United Purpose movement through our 2016 merger with International Inspiration and our partnership with KCA.

OUR CLUSTER STRUCTURE



Cluster model

Our Global Programmes team operates in a 'Cluster' model. For the UK team, this has meant streamlining our operations to focus on fundraising, communication, operations and finance. The map above illustrates how our clusters are structured.

The role of the clusters is:

- To provide support between Country Directors
- To share learning and enhance quality between country programmes
- To identify critical priorities and support needs
- To identify and forge relationships with regionally-based donors, private sector contractors and advocacy networks to maximise funding and influence opportunities aligned with the Global Strategy
- To strengthen global representation at Senior Leadership level

Financial Review

Our goal is to effectively manage our finances to ensure that we are best placed to deliver quality and impactful programmes.

Overall group income decreased from £18.2 million to £13.9 million because of the reduction in volume of livelihoods projects. A number of these were of particularly high value, notably World Food Program distribution £1.9 million and Pro-Active Resilience Action £1.7 million. Donations and legacies saw an increase largely as a result of successes in implementing our strategy in this area.

Expenditure of £15.0 million exceeded the income of the period reflecting substantial money received at the end of the previous year which represents a reduction in expenditure compared to £18.8 million in 2017/2018.

The cost of Fundraising remained largely neutral compared to the previous year in monetary terms but increased as a proportion of expenditure as a result of the overall decrease in outflow, although remains around the 2% mark. Continued investment in Fundraising in 2019/2020 is expected to return benefits in the 2020/2021 year.

Carbon credits have been a long-term investment by the organisation which is now bearing fruit with small sales in the years to 2019/20 but with important contributions occurring in 2019/20.

Fixed assets increased as a result of the acquisition of vehicles which is more cost-effective than renting locally. All vehicles are for directly charitable purposes. There has also been an investment in a new financial system which will commence implementation at the end of 2019.

The cash position of the group remains strong at the year-end, £3.5 million versus £4.5 million at 31 March 2018, as traditionally donor income occurs in the first quarter, although generation of free income remains a difficult proposition to donors.

Both CUMO and Village Aid maintained their position and contribution to the group, with restructuring at Village Aid resulting in reduced overheads.

The trading subsidiary Concern Limited was renamed post-year-end to United Purpose Trading Limited to reflect its purpose within the group, primarily as the focus for carbon credits.

Our continued investment in fundraising activities and carbon credits shows our commitment to sustainable growth in strategic objectives.

Reserves policy

The purpose of the Reserves Policy for United Purpose is to ensure the stability of the mission, programmes, employment and on-going operations of the organisation. Our reserves are intended to provide an internal source of funds for situations such as a sudden increase in expenses, onetime unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The reserves may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, innovation, or investment in operations efficiencies. The reserves are not intended to replace a permanent loss of funds or eliminate an on-going budget gap. It is the intention of United Purpose for the reserves to be used and replenished within a reasonably short period of time. The Reserves Policy will be implemented alongside other governance and financial policies of United Purpose and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

The target amount of reserves is £1 million, which is based on considerations of a range of risks including foreign exchange fluctuations, working capital requirement for projects and investments in line with United Purpose's strategy and programme philosophy.

Unrestricted reserves available for overall charitable purposes are £404k (2018: £244k, 2017: £871k). A full breakdown is provided in the notes to the accounts.

Trustees have set a reserve policy target of £1 million reserves by 2021 and the positive impact of implementing robust plans for change, starting from last financial year, have led to an increase in unrestricted reserves in this current financial year of £160k

As an integral part of our Reserves Policy from last year, we have recognised the value of carbon units to the organisation, both in terms of their cash value and their innovative contribution to achieving our mission. The organisation holds gold standard carbon units, generated through our water and livelihoods programmes in Malawi. Carbon credits can be sold and generate unrestricted income. We do not currently recognise these units on the balance sheet due to the volatility in market prices. Instead carbon units are included in a note to the accounts as a contingent asset.

Carbon units stocks

Date	Units	Value (GBP)
31 March 2018	68,819	£92,905 - £280,093
31 March 2019	328,361	£443,287 - £1,336,429

The GBP Price/t range is derived from previous actual and proposed sales ranging from £1.35/t - £4.07/t.

Between year-end and publication of the accounts, actual cash sales from carbon have totalled £268,848.

Going concern

The trustees fully recognise their responsibility to assess the going concern basis of the charity and have a reasonable expectation that United Purpose will be able to operate within the level of its current resources for a period of at least 12 months. This assessment is based on group forecasts and projections, taking into account assumptions about possible changes in performance. Therefore, trustees continue to adopt the going concern basis in preparing the annual financial statements.

Managing risks and uncertainties

United Purpose operates in an ever-changing context, both in the UK charity sector and fragile geographies with local communities. Working within this unstable environment and simultaneously protecting the vulnerable people we often engage with, as well as the charity's assets, presents many challenges.

Managing risks effectively is central to the achievement of our strategic goals and is overseen by the Finance & Risk Committee. The Board has established a formal risk management process and internal control framework to ensure the proactive and consistent management of risks, both to reduce negative impact of risk and maximise strategic opportunities. This process involves a risk strategy to share an agreed attitude and organisational capacity for risk, a risk governance structure to oversee the risk management process and a risk implementation approach to analyse and manage risk.

The risk management framework at United Purpose is designed to address uncertainty as part of decision making, as well as ensuring that any new or subsequent risks can be taken into account. The framework helps to identify, assess and control risk across the organisation, summarised in a risk register.

The trustees regularly review the key strategic risks to ensure that they are the right ones and that they are being managed appropriately. Over the course of the year, the trustees undertook a review of risk appetite, both to set the tone and address the challenge of the gap between exposure to risk and the organisation's ability to accept the risk.

United Purpose faces some inherent risks resulting from the locations we work in and the way projects are delivered. Security risks are mitigated by undertaking safety and security reviews in each country, by maintaining insurance cover and by ensuring staff and volunteers receive training in safety and security relevant to the programmes where they are being inducted.

The key risk areas and responses have emerged from this risk management process:

Risk area	Impact	Mitigation
Impact/performance	Substantial under-delivery about output or outcome targets	Monthly and quarterly reporting against balanced score card targets to senior management
Funding	Downward pressure on income due to changes in priorities within the global aid programme and a more challenging environment for public donations	Fundraising strategy being implemented, including investment in UK base capacity to ensure strong communications and engagement on all external affairs. A strength of our fundraising strategy is that our regional clusters play a proactive role in mobilising resources.
Fraud & bribery	A major fraud or bribery resulting in significant financial or reputational damage	Zero-tolerance approach to fraud & bribery, rolled out through robust policies and procedures. Internal audit roles are recruited in larger country programmes.

Risk area	Impact	Mitigation
Co-financing	Inability to achieve co-financing obligations will leave UP unable to deliver our contractual obligations	Quarterly review of co-financing liabilities with a clear plan in place for achieving funding objectives
Cash flow	Insufficient cash to meet short term requirements	Group cash flow forecast updated quarterly. Margin of safety built in to cash flow forecast. Focus on project management cycle to minimise working capital requirement.
Reporting & compliance	Non-compliance with donor requirements may lead to clawbacks	Reporting system to track deadlines. Quarterly support and performance meetings with country programmes. Monitoring of minimum standards across the organisation.
Brexit	Unknown outcome of negotiations makes the EU funding stream uncertain and affects the GBP buying power	UP is part of the DFID assurance scheme, managed by Care, to enable the continuation of existing EU contracts in the event of a "no-deal" Brexit. Contingency plans developed for current projects at risk. Set up of EU entity (in progress).
Safeguarding	Staff, partner staff and members of the communities where we work not adequately protected	Regular training on UP's regularly updated safeguarding policy. Set up of wellbeing and safeguarding committees at different levels in the organisation. Implementing recommendations from 2019 internal review of historic incidents.

Our risks evolve over time and as we progress our strategy, new risks emerge and we update our risk areas and adjust our mitigation activities accordingly.

Safeguarding

We do not tolerate sexual exploitation and abuse. They are extremely serious issues, which we will tackle at every opportunity. We are committed to protecting the people we work with, and for, from harm. This applies without exception across our programmes and partners, and it also applies equally to men, women and children.

Safeguarding has always been a priority for us. However, in 2018 we, along with the rest of our sector, received a stark and timely reminder of why an organisation must never become complacent in this area. As a result of a period of reflection and evaluation, United Purpose has revised a wide range of policies and procedures to strengthen our safeguards against abuse and to enable reporting if it happens.

We also recognise that safeguarding is so much more than a set of policies and procedures. It is implicit in everything we do, from how we speak to community members and individuals, to how much staff exert their power over vulnerable communities who need our support. It involves understanding power dynamics, recognising how our presence in communities changes such dynamics, and knowing what we must do to ensure this power is never abused.

In 2018/19, we continued to drive improvements through the following four work strands:

- 1. Systems** – To consolidate efficient, accessible and adaptable safeguarding policies & procedures
- 2. Culture** – To strengthen a safe and thriving culture where all staff and stakeholders have the knowledge and social confidence to raise concerns and manage associated distress
- 3. Learning** – To contribute to and collaborate with best practice through a dynamic safeguarding learning and support network, both internally and externally
- 4. Working with Partners** – To reciprocally strengthen, support and evidence our partners' commitment to safeguarding

Working with the Charity Commission, we also undertook a historical incident review across all country offices. We wanted assurance that there were no outstanding incidents that had not yet been addressed. We were reassured to find that there were zero serious incidents of this nature. The process in itself was a useful exercise and a number of recommendations were implemented as a result, relating to systems, culture, learning and relationships.

If you have any concerns about the health, wellbeing, survival or dignity of a person in our care, please share with our confidential safeguarding committee at concerns-uk@united-purpose.org

Trustees

The charity's trustees are appointed as directors of the company and are also its members. The trustees have no beneficial interest in the charity. The trustees of United Purpose govern the charity's activities and are legally responsible for the overall control of the charity and for ensuring it is properly managed. They sit on the charity's sub-committees, including the Finance & Risk Committee, the HR & Nominations Committee and the Impact Committee.

The trustees delegate responsibility for the day-to-day running of the charity to the CEO, who reports directly to the Board and manages the execution of the strategy as directed by the Board. The CEO is assisted by a Senior Leadership Team comprising of those who have responsibility for external affairs, finance, operations and clusters.

All trustees give their time voluntarily and receive no benefits from the charity. The trustees who served during the year and up to the date of this report are listed on page 2.

United Purpose is a charity group which includes Village Aid and International Inspiration. This partnership-based approach to tackling major global challenges continues to form a key part of United Purpose's strategy.

Trustee recruitment and appointment

United Purpose recognises that an effective Board of trustees is essential if the charity is to be effective in achieving its objectives. The Board seeks to ensure it has access to the knowledge and skills required to run the charity. Individual trustees must have sufficient knowledge, both of trusteeship in general and of the charity's activities, to enable them to carry out the role and to represent the charity at meetings and other events. Trustee recruitment is part of the remit of the HR and Nominations Committee.

The existing trustees are responsible for recruiting new trustees although specific administrative tasks may be delegated by the Board to the CEO and Senior Management Team. The Board may at any time appoint any person duly qualified to be a trustee to fill a vacancy in their number or as an additional trustee. The minimum number of trustees is set at no less than three and the maximum number at no more than eleven.

Efforts to recruit new trustees take into account any recent skills audits and gaps in skills/experience that have been identified, and specific roles or duties that need to be undertaken. Once the ideal skills/experience profile has been identified, a recruitment plan is formulated. This identifies the most appropriate resources from which applicants might be found. Preference is given to advertisement in the media over approaches to personal contacts, as the intention is to promote diversity and avoid conflicts of interest.

United Purpose seeks to ensure diversity in its Board of trustees as well as in its staff base, and consideration will be given to ways in which groups that are under-represented on the Board might be reached and encouraged to apply.

Trustee induction and training

New trustees undergo an orientation day to brief them on: their legal obligations under charity and company law; the Charity Commission guidance on public benefit and safeguarding; and to inform them of the content of the memorandum and articles of association, the decision-making processes, the strategic plan and recent financial performance of the charity. During the induction day, they meet employees and other trustees. Trustees are encouraged to attend appropriate external training events where

these will facilitate the undertaking of their role. Trustees are given the opportunity to visit the charity's projects and partners.

Related parties and relationships with other organisations

All trustees and key management personnel are required to disclose any parties and conflicts of interest. There were no transactions with any other related parties during the year and none of the charity's trustees receives remuneration or other benefits from their work as a trustee.

Remuneration policy for key management personnel

The key management personnel of the charity include the trustees and the CEO, who is in charge of directing, controlling, running and operating the charity on a day-to-day basis.

All trustees give their time freely and receive no fees or remuneration for serving as a trustee of UP. The charity reimburses reasonable expenses incurred in the course of acting as a trustee. This includes travel and accommodation expenses required to attend meetings, training and orientation. Every effort is made to ensure costs are modest. Details of trustees' expenses and related party transactions are disclosed in the accounts section of the report.

In deciding appropriate pay levels, UP aims to strike a balance between paying enough to recruit and keep people with the skills we need, meeting our employees' needs, and meeting the public's and our donors' expectations that the money they entrust with us is used wisely. In setting the CEO's salary, the Board takes into account the skills and experience required for the role and remuneration in sectors in which suitable candidates for such posts would be found. They have taken independent advice to inform those judgements. They also take account of affordability for the charity. The CEO's salary is normally reviewed annually.

Public benefit

Trustees of United Purpose have a duty to report in the Trustees' Annual Report on the charity's public benefit. Each year, the trustees review the aims, objectives and activities of the charity. In this report, they demonstrate:

- The benefits generated by the activities of the charity. This report explains the activities that are carried out to meet the Goals in United Purpose's Global Strategy, highlights the types of programmes that are funded and reports on the number of people reached through charitable activities.
- The benefits are closely aligned with the charity's objectives. Each area of United Purpose's work – health, livelihoods, climate and conflict – works towards the charity's broad vision, which is 'A world where justice, dignity and respect prevail for all'.
- The people targeted by United Purpose's interventions receive the support they need. Wherever possible, we seek the views and opinions of people living in poverty on the design and implementation of our programmes. This ensures that our programmes are targeted at people in need, account for their assessment of their own needs, and bring positive and measurable changes to their lives.

The trustees are confident that United Purpose meets the public benefit requirements, and they confirm that they have taken into account the guidance contained in the Charity Commission's general guidance on public benefit.

Statement of responsibilities of trustees

The trustees (who are also directors of United Purpose in company law) are responsible for preparing the trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group 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 and statements of recommended practice 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 charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 auditor is aware of that information
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees have no beneficial interest in the charity.

Fundraising statement

Income generation

Following a full review of all our income generation activities, in 2018/19 we implemented a three-year plan to increase our income and improve efficiency. This will generate more net income for the charity, ensuring the long-term sustainability of our vital work to empower communities to be independent and move beyond aid. Our new Fundraising Strategy aims to:

- Diversify our income streams
- Increase our income
- Rebalance the ratio between restricted and non-restricted income
- Be more effective at managing the income we currently generate

A motivator of these aims is to ensure the organisation is not overly reliant on a narrow number of sources of funding. Over 2018/19 we are pleased to confirm that we have:

- Refreshed our brand, better articulating who we are and what we do. This has enabled us to build new and different relationships, including funding relationships
- Strengthened our fundraising channels, especially around new high value givers, strategic partnerships and Trusts and Foundations, making us less reliant on existing strategic grant givers
- Developed internal policies which will dramatically improve global contributions to core funding from restricted income

The charity undertakes a range of fundraising activities through income streams such as Individual Giving, Community & Events, Corporate Partnerships and Trusts & Foundations, in line with the Fundraising Code of Practice set by Fundraising Regulator. We do not pay for the services of third-party commercial organisations to raise funds in United Purpose's name, nor do we engage in cold-calling, door-to-door or street fundraising. During 2018/19, we did not have a relationship with any commercial participators. We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice. No complaints have been received by the charity regarding any fundraising activities.

Plans for the future

Our new Global Strategy has four strategic pillars – health, livelihoods, climate and conflict – and our plans for the future fall under each of these pillars.

Health

We will continue with our integrated approach of tackling the underlying causes of ill health, primarily focusing our attention on the areas in which we have excelled, including water and sanitation, malaria prevention, improved nutrition, and sexual and reproductive health, including HIV/AIDS programmes. Our approach to this area of work will link heavily to market-based solutions and mobilising citizens and communities in innovative ways.

Livelihoods

We will empower communities to increase their earning power at both household and community level, including through better ways to access markets, generate income and benefit from access to global financial resources in a more equitable and sustainable way. We will take a comprehensive approach, aiming to develop commercially viable, nutrition-sensitive agribusiness value chains that work for small-scale farmers, particularly women. We will use ICT to increase access to market information. This area of our work will build on our track record of working with those most disadvantaged in the job market – women and young people.

Climate

Adverse effects of climate change and energy poverty currently condemn millions of people to poverty and drudgery, stifling economic activity, and hampering provision of basic services. As an organisation, we have been tackling many of these challenges head on and have built expertise in many climate-smart and poverty-reducing techniques, including developing the only sustainable energy unit in Malawi. We will continue to work to provide marginalised communities with increased access to sustainable energy as a route to improved service provision, mitigating climate change and promoting wealth creation.

Violence/Exploitation

We will continue to work on peace-building by creating opportunities between conflicting groups to promote mutual understanding, trust, empathy and resilient social ties. We will also continue to work on violence and exploitation directed at women and children, where we will both help the victims and place a big emphasis on innovative strategies to tackle the root causes.

All of our core activities listed above will be underpinned by our continued drive to improve our financial processes and operational systems.

Additional information: auditors, banks and solicitors

Standard Chartered Bank

1 Aldermanbury Square London
EC2V 7SB
020 7280 7500

The Royal Bank of Scotland

Maidstone Branch, 94 High Street, Maidstone, Kent
ME14 1SA
016 2269 1333 or 01432 357264

Geldards LLP

Dumfries House
Dumfries Pl
Cardiff
CF10 3ZF

Sayer Vincent

Invicta House
108-114 Golden Ln,
London
EC1Y 0TL

Appendices

Appendix 1: Our global output indicators

Aim 1: Health	Achieved to date	Achieved annually
Goal: To improve health by increasing access to basic services, like water, sanitation, primary healthcare and emergency food/shelter	2014-2019	2018-2019
1 # people with access to safe water	1,433,825	108,277
2 # of water points provided or rehabilitated	10,724	496
3 # of water point repairers, local masons or water committee members trained/ supported	8,518	834
4 # of schools with a new or rehabilitated water point	2,454	519
5 # of school children who have benefited from rehabilitation of school water point	457,834	151,366
6 # of Open Defecation Free villages	11,505	803
7 # of new toilets built	1,053,733	164,169
8 # of school children with access to a single sex latrine	170,309	4,877
9 # of people supported with emergency relief or helped to prepare for disasters	3,906,035	331,551
10 # of mosquito nets distributed	2,873,442	753,177
11 # of pregnant women supported	450,193	116,830
12 # of people receiving primary healthcare-related support	432,494	63,485
Aim 2: Livelihoods	Achieved to date	Achieved annually
Goal: To empower vulnerable people to have more resilient and sustainable livelihoods, and ensure that economic growth is equitable	2014-2019	2018-2019
1 # people with an increase in cash income	1,545,951	148,056

Aim 2: Livelihoods	Achieved to date	Achieved annually
2 # people with increased yields	1,167,871	163,241
3 # people with a decrease in 'hungry months'	1,750,524	389,041
4 # of farmers trained	967,080	236,466
5 # people that have established or strengthened their businesses, or who have received access to business inputs/ services	650,633	48,683
6 # hectares irrigated	9,970	673
7 # people with microfinance loans issued, or who have been helped to access microfinance from another provider	293,221	86,913

Aim 3: Climate	Achieved to date	Achieved annually
Goal: To improve environmental resilience by supporting communities to adapt to the changing climate in their region	2014-2019	2018-2019
1 # trees planted	7,727,496	1,744,047
2 # people using fuel-efficient stoves	489,088	226,779
3 # people with increased understanding of environmental issues	1,788,325	171,541

Aim 4: Violence/Exploitation	Achieved to date	Achieved annually
Goal: To combat violence, exploitation and conflict by tackling the root causes, supporting victims and building peaceful futures	2014-2019	2018-2019
1 # people/CSOs in dialogue with local or national government on issues that affect their livelihood	656,957	45,514
2 # of workshops between community and local government on issues that affect their livelihoods	5,944	1,280
3 # of local government bodies using social accountability tools	1,296	62
4 # of CBOs/CSOs trained and supported in using social accountability techniques and tools	5,709	491

Aim 4: Violence/Exploitation	Achieved to date	Achieved annually
5 # people trained in advocacy skills, and/or made aware of their rights	8,492,618	1,799,683
6 # advocacy (lobbying) actions led by the community	9,204	1,079

The trustees' annual report which includes the strategic report has been approved by the trustees on 19 December 2019 and signed on their behalf by:

Name: Ceri Briggs
Title: Treasurer

Photo credits

FRONT COVER Jason Florio

Page 1 Jason Florio

Page 5 Rosie May

Page 10 [L-R] UP UK | Jason Florio | Toby Richards

Page 11 [L-R] UP Mozambique | UP Nigeria | UP Nigeria | UP UK

Page 12 Toby Richards

Page 13 Badara Preira

Page 14 Toby Richards

Page 15 UP Guinea

Page 16 UP Gambia

Page 17 Jason Florio

Page 18 Jason Florio

Page 19 Jason Florio | UP Ghana

Page 20 UP Brazil

Page 21 Kate Hartley

Page 22 Amit Kumar Singh

Page 23 UP Malawi

Page 24 Kate Hartley

Page 25 UP Mozambique

Page 26 Toby Richards

Page 27 UP Malawi | Jason Florio

United Purpose

Consolidated Statement of Financial Activities (Incorporating an income and expenditure account)

For the year ended 31 March 2019

	Note	Restricted £	Unrestricted £	CUMO £	2019 Total £	2018 Total £
Income from:						
Donations and Legacies	3	7,200	1,815,751	-	1,822,951	1,272,256
Charitable activities	4					
Livelihoods		4,852,532	-	795,811	5,648,343	10,461,055
Health and Wellbeing		4,402,448	-	-	4,402,448	3,578,264
Exploitation and Conflict		1,110,094	-	-	1,110,094	965,096
World Food Programme – in kind donations	6	207,198	-	-	207,198	1,153,445
Environment		304,801	-	-	304,801	608,711
Investment income	5	-	-	227,864	227,864	54,175
Carbon Credits		135,027	-	-	135,027	90,768
Total income		11,019,299	1,815,751	1,023,674	13,858,725	18,183,770
Expenditure on:						
Raising funds	7	-	321,430	-	321,430	335,365
Charitable activities						
Livelihoods		6,045,038	1,338,666	871,884	8,255,588	11,533,671
Health and Wellbeing		4,852,432	-	-	4,852,432	4,832,784
Exploitation and Conflict		1,303,524	-	-	1,303,524	1,228,907
Environment		240,031	-	-	240,031	887,537
Total resources expended		12,441,025	1,660,096	871,884	14,973,005	18,818,265
Net movement in funds	22	(1,421,725)	155,655	151,790	(1,114,280)	(634,495)
Funds at the start of the year		4,773,062	437,771	1,225,569	6,436,405	7,070,900
Funds at the end of the year		3,351,337	593,426	1,377,359	5,322,123	6,436,405

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 22 to the financial statements.

United Purpose

Consolidated Balance Sheet

Company No. 1278887

As at 31 March 2019

	Note	Group 2019 £	2018 £	Charity 2019 £	2018 £
Fixed assets					
Tangible fixed assets	14	<u>746,526</u>	636,514	<u>442,632</u>	365,538
		746,526	636,514	442,632	365,538
Current assets					
Inventory		29,820	7,470	29,820	7,470
Debtors	17	1,861,635	2,411,026	887,655	1,814,927
Short Term Deposits		213,304	226,805	-	-
Cash at bank and in hand		<u>4,076,225</u>	4,528,433	<u>3,714,370</u>	4,035,995
		6,180,984	7,173,734	4,631,845	5,858,392
Liabilities					
Creditors: amounts due within one year	18	<u>(1,548,353)</u>	(1,345,653)	<u>(1,169,132)</u>	(1,039,367)
Net current assets		<u>4,632,631</u>	5,828,081	<u>3,462,713</u>	4,819,025
Total assets less current liabilities		5,379,157	6,464,595	3,905,347	5,184,563
Creditors: amounts due greater than one year	19	<u>(57,034)</u>	(28,191)	-	-
Net assets	20	<u>5,322,123</u>	<u>6,436,404</u>	<u>3,905,347</u>	<u>5,184,563</u>
Funds					
Restricted funds		3,343,937	4,773,065	3,343,937	4,773,065
Restricted funds Held by Village Aid		7,400	-	-	-
Unrestricted funds:					
Designated funds					
Funds held by CUMO		1,377,359	1,225,569	-	-
Funds held by Village Aid		32,016	26,274	-	-
Other designated funds		157,883	166,637	157,883	166,637
		<u>1,567,258</u>	1,418,480	<u>157,883</u>	166,637
General funds (excluding funds held by CUMO)		<u>403,527</u>	244,860	<u>403,527</u>	244,860
Total funds	22	<u>5,322,123</u>	<u>6,436,404</u>	<u>3,905,347</u>	<u>5,184,562</u>

Approved by the trustees on 19 December 2019 and signed on their behalf by

Ceri Briggs

United Purpose

Consolidated statement of cash flows

For the year ended 31 March 2019

	Note	2019	2018
		£	£
Cash flows from operating activities	23		
Net cash (used in) / provided by operating activities		(353,042)	(1,350,644)
Cash flows from investing activities:			
Dividends, interest and rents from investments		227,864	54,175
(Purchase) Sale of fixed assets		(340,530)	1,115,096
Net cash provided by / (used in) investing activities		(112,666)	1,169,271
Change in cash and cash equivalents in the year		(465,708)	(181,373)
Cash and cash equivalents at the beginning of the year		4,755,238	5,405,642
Change in cash and cash equivalents due to exchange rate		(1)	(469,031)
Cash and cash equivalents at the end of the year		4,289,529	4,755,238

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

1. Accounting policies

a) Statutory information

United Purpose is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address (and principal place of business) is 14 Cathedral Road, Cardiff, Wales CF11 9LJ.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries CUMO Microfinance Ltd, Village Aid Ltd (of which United Purpose is a controlling member) and United Purpose Trading Limited (formerly Concern Ltd) on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The Charity controls Concern Universal Ghana, a company limited by guarantee incorporated in Ghana. Accounts for Concern Universal Ghana have been prepared and audited in Ghanaian new Cedis for the year ended 31 March 2019. Concern Universal Ghana is accounted for as a country programme within United Purpose (formerly Concern Universal) and therefore its results are fully consolidated into United Purpose (formerly Concern Universal)'s accounts.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees have prepared the accounts on a going concern basis. In reaching the decision the trustees

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

1 Accounting policies (continued)

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the cost of livelihoods, health & wellbeing, exploitation and conflict and environmental work undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants payable to partner organisations are included in the Statement of Financial Activities in the year in which they are payable.

Costs of generating donations and legacies relate to the costs incurred by United Purpose in fundraising and publicity.

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

1 Accounting policies (continued)

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between charitable activities on the basis of area of literature occupied by each activity.

● Livelihoods	49%
● Health and Wellbeing	39%
● Exploitation and Conflict	10%
● Environment	2%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Livelihoods	49%
● Health and Wellbeing	39%
● Exploitation and Conflict	10%
● Environment	2%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Items procured under project funding are expensed in the statement of financial activities in the year of purchase.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

United Purpose

Office furniture and equipment: straight line basis at an annual rate of 20%

ICT Equipment: straight line basis at an annual rate of 33.3%

Vehicles: straight line basis at an annual rate of 33.3%

Drilling Rig: straight line basis at an annual rate of 33.3%

Land & Buildings: straight line basis at an annual rate of 5%

Capitalised development costs: straight line basis at an annual rate of 33%

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

1 Accounting policies (continued)

CUMO

Office furniture and equipment: straight line basis at an annual rate of 25%

ITC Equipment: straight line basis at an annual rate of 33.3%

Vehicles: straight line basis at an annual rate of 20%

There are no material differences arising from the different treatment of depreciation within CUMO.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash 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.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

s) Transactions in foreign currencies

Transactions in foreign currencies are translated at a daily average rate. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are taken into account in arriving at the net incoming resources for the year.

t) Taxation

The charitable company is granted exemption from corporation tax as all its income arises from or is applied for charitable purposes. Its subsidiary CUMO is a controlled foreign company, however trading profits of CUMO arise from and are applied to the charitable purpose of providing microfinance loans to clients in rural areas within Malawi living in extreme poverty, to enable them to improve their livelihoods. No portion of CUMO profits passes to United Purpose (formerly Concern Universal) as parent company. United Purpose Trading Limited (formerly Concern Ltd) donates all profits to United Purpose.

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

1 Accounting policies (continued)

u) Contingent assets

Carbon units, known as Verified Emission Reduction Units (VERs), represent an asset of value to United Purpose and are tradeable. The value of these units is subject to market volatility which is outside of the organisation's control. United Purpose recognises the value of verified but unsold carbon units as a contingent asset. Sale of VERs which are contracted are recorded as assets directly in the balance sheet. Income received from the sale of carbon units is used to contribute to UP's work in support of communities around the world, and it is our intention that a significant proportion will be returned to the communities in which the carbon credits originated. The local communities themselves will decide how they want to spend a proportion of this money. The value of unsold carbon units are considered an integral part of the charity group's reserves policy.

United Purpose

Notes to the Financial Statements

For the year ended 31 March 2019

2 Detailed prior year comparatives for the statement of financial activities

	Restricted £	Unrestricted £	CUMO £	2018 Total £
Income from:				
Donations and Legacies	-	1,272,256	-	1,272,256
Charitable activities				
Livelihoods	9,617,036	-	844,020	10,461,055
Health and Wellbeing	3,578,264	-	-	3,578,264
Exploitation and Conflict	965,096	-	-	965,096
World Food programme – in kind donations	1,153,445	-	-	1,153,445
Environment	608,711	-	-	608,711
Investment income	-	5,097	49,078	54,175
Carbon Credits	90,768	-	-	90,768
Total income	16,013,320	1,277,353	893,098	18,183,770
Expenditure on:				
Raising funds	-	335,365	-	335,365
Charitable activities				
Livelihoods	10,001,475	584,891	947,305	11,533,671
Health and Wellbeing	4,068,285	764,499	-	4,832,784
Exploitation and Conflict	1,083,413	145,494	-	1,228,907
Environment	887,537	-	-	887,537
Total resources expended	16,040,710	1,830,249	947,305	18,818,265
Net (outgoing)/incoming resources before other	(27,391)	(552,897)	(54,207)	(634,495)
Transfers between funds	(50,071)	50,071	-	-
Net movement in funds	(77,462)	(502,826)	(54,207)	253,043
Funds at the start of the year	4,850,525	940,597	1,279,776	7,070,898
Funds at the end of the year	4,773,064	437,771	1,225,569	6,436,405

The prior year figures have been reanalysed to better reflect the activities of the charity. This has not impacted the overall income, expenditure, or net results for the year.

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

3. Income from donations and legacies

	Restricted £	Unrestricted £	2019 Total £	2018 Total £
Committed giving	7,200	183,462	190,662	419,450
Legacies	-	6,113	6,113	100,000
Appeals and collections	-	20,335	20,335	117,077
Cost recovery on grant funded programmes	-	381,014	381,014	133,684
Other grants & donations	-	1,224,828	1,224,828	502,045
Total grants	7,200	1,815,751	1,822,951	1,272,256

4. Income from charitable activities

	Restricted £	Unrestricted £	2019 Total £	2018 Total £
Livelihoods				
Action Aid	10,924	-	10,924	-
AFAP (Australian Foundation for the Peoples of Asia and AGRA (Alliance for a Green Revolution in Africa)	227,420	-	227,420	92,400
BE1%	-	-	-	4,743
Blue Gold	31,975	-	31,975	-
Big Lottery Fund	394,244	-	394,244	365,121
BRAC	109,909	-	109,909	114,224
CRS (Catholic Relief Services) – START fund	-	-	-	58,111
Coca Cola	29,954	-	29,954	115,985
Comic Relief	17,221	-	17,221	49,308
Cooperation Atlantique	224,703	-	224,703	155,972
Cordaid	-	-	-	6,425
UK Aid	-	-	-	1,341,478
Electric Aid	38,647	-	38,647	10,669
ETP (Ethical Tea Partnership)	-	-	-	14,483
European Commission	106,660	-	106,660	2,933,606
EC Humanitarian Office	57,650	-	57,650	617,898
Concern Worldwide	194,410	-	194,410	-
GIZ	394,244	-	394,244	710,264
IMVF	54,061	-	54,061	-
IFAD (International Fund for Agricultural Development)	-	-	-	-
Irish Aid	1,528,737	-	1,528,737	816,367
Islamic Relief	-	-	-	347,238
Ministry of Agriculture	170,220	-	170,220	-
Miscellaneous income	939,373	-	939,373	433,678
Mitsubishi Corporation	-	-	-	75,803
NEMA	-	-	-	150,034
Pentland PLC	-	-	-	50,000
Palladium International	128,223	-	128,223	-
Save the Children	-	-	-	-
SDC (Swedish Development Corporation)	218,864	-	218,864	196,353
University of Strathclyde	84,610	-	84,610	155,430
UMCOR	-	-	-	-
USAID	140,857	-	140,857	869,904
World Food Programme (see Note 6)	581,438	-	581,438	775,560
Zochonis Charitable Trust	-	-	-	-
Total	5,684,343	-	5,684,343	10,461,055

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

4. Income from charitable activities (continued)

	Restricted	Unrestricted	2019 Total	2018 Total
	£	£	£	£
Health and Wellbeing				
ACF International	-	-	-	-
AMF (Against Malaria Foundation)	361,915	-	361,915	393,427
Charity Water	111,520	-	111,520	-
Australian Foundation for the Peoples of Asia & the Pacific aka DFAT	-	-	-	650,166
Department for International Development	191,050	-	191,050	578,867
European Commission	1,225,091	-	1,225,091	-
Irish Aid	670,164	-	670,164	529,333
KCA	180,985	-	180,985	-
MCA (Millenium Challenge Account)	-	-	-	199,718
Miscellaneous income	244,620	-	244,620	334,514
One Foundation	50,609	-	50,609	-
Penny Appeal	53,791	-	53,791	-
PZ Cussons	54,720	-	54,720	62,983
UNICEF	176,465	-	176,465	421,083
University of Strathclyde	147,444	-	147,444	62,983
UNOPS (GSF)	335,459	-	335,459	307,575
Vitol	38,630	-	38,630	-
World Food Programme (see Note 6)	559,984	-	559,984	-
	<u>4,402,448</u>	<u>-</u>	<u>4,402,448</u>	<u>3,578,264</u>
	Restricted	Unrestricted	2019 Total	2018 Total
	£	£	£	£
Exploitation and Conflict				
Comic Relief	255,264	-	255,264	113,826
Miscellaneous income	279,200	-	279,200	149,407
Islamic Relief	256,719	-	256,719	-
MPT	-	-	-	48,418
PRODEM	199,146	-	199,146	653,445
Penny Appeal	119,766	-	119,766	-
	<u>1,110,094</u>	<u>-</u>	<u>1,110,094</u>	<u>965,096</u>
	Restricted	Unrestricted	2019 Total	2018 Total
	£	£	£	£
Environment				
Department for International Development	117,280	-	117,280	429,003
EC	-	-	-	144,806
Miscellaneous income	127,387	-	127,387	-
GIZ	60,134	-	60,134	34,902
	<u>304,801</u>	<u>-</u>	<u>304,801</u>	<u>608,711</u>

5. Investment Income

CUMO's investment income comprises interest from short-term money market investments entered in to by CUMO. Other investment income is bank interest on current accounts.

6. Gifts in Kind (group and charity)

	2019 £	2018 £
World Food Programme, Foodstuffs for distribution in Malawi	207,198	1,153,445
UNICEF – WASH equipment and consumables	43,286	-
Feed The Future – Agricultural Inputs & Irrigation Equipment	38,758	-
Total Gifts in Kind	<u>289,242</u>	<u>1,153,445</u>

All donations in kind are shown at valuations provided by the donor.

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

7. Total resources expended
Current Year

	Costs of raising funds	Charitable activities					Support costs	Governance costs	2019 Total	2018 Total
		Livelihoods	Health and Wellbeing	Exploitation and Conflict	Environment					
	£	£	£	£	£	£	£	£	£	
Staff costs (note 10)	243,479	1,050,969	1,396,484	368,237	28,914	767,389	10,463	3,865,935	5,847,174	
Office costs	70,131	216,034	168,676	43,382	9,692	544,985	37,069	1,089,969	1,855,006	
Transport	7,820	36,587	28,567	7,347	1,641	81,961	-	163,923	269,168	
Equipment (not capitalised)	-	-	-	-	-	4,931	-	4,931	423,733	
Grants payable to partners (note 8a)	-	551,184	430,356	110,683	24,729	-	-	1,116,952	2,463,119	
Other project activities	-	5,670,215	2,257,908	627,164	142,277	33,731	-	8,731,295	7,960,064	
Total resources expended	321,430	7,524,989	4,281,991	1,156,813	207,253	1,432,997	47,532	14,973,005	18,818,264	
Support costs	-	707,144	552,127	142,001	31,726	(1,432,997)	-	-	-	
Governance costs	-	23,456	18,314	4,710	1,052	-	(47,532)	-	-	
Total expenditure 2019	321,430	8,255,589	4,852,432	1,303,524	240,031	-	-	14,973,005	18,818,264	

Prior Year

	Costs of raising funds	Charitable activities					Support costs	Governance costs	2018 Total
		Livelihoods	Health and Wellbeing	Exploitation and Conflict	Environment				
	£	£	£	£	£	£	£	£	
Staff costs (note 10)	276,594	2,518,527	1,036,749	374,221	-	1,630,694	10,389	5,847,174	
Office costs	42,032	552,178	311,752	11,175	-	908,429	29,440	1,855,006	
Transport	16,739	117,218	26,112	8,200	-	100,899	-	269,168	
Equipment (not capitalised)	-	410,978	7,742	-	-	5,013	-	423,733	
Grants payable to partners (note 8a)	-	1,464,435	619,689	372,733	-	6,262	-	2,463,119	
Other project activities	-	4,319,360	2,215,949	345,600	887,537	191,619	-	7,960,065	
Total resources expended	335,365	9,382,697	4,217,992	1,111,929	887,537	2,842,916	39,829	18,818,265	
Support costs	-	2,121,256	606,298	115,362	-	(2,842,917)	-	-	
Governance costs	-	29,718	8,494	1,616	-	-	(39,829)	-	
Total expenditure 2018	335,365	11,533,671	4,832,785	1,228,907	887,537	-	-	18,818,265	

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

8a Grants payable to partners

	Livelihoods	Health and Wellbeing	Exploitation and Conflict	Environment	2019 Total	2018 Total
	£	£	£	£	£	£
Bangladesh	190,558	151,668	38,889	7,778	388,893	375,814
Brazil	8,702	6,926	1,776	355	17,759	6,262
Cameroon	-	-	-	-	-	110,773
Gambia	159,441	126,902	32,539	6,508	325,390	358,218
Ghana	-	-	-	-	-	127,924
Guinea	-	-	-	-	-	103,231
India	-	-	-	-	-	35,113
Kenya	-	-	-	-	-	118,363
Malawi	-	-	-	-	-	609,710
Mozambique	-	-	-	-	-	6,807
Nigeria	188,606	150,115	38,491	7,698	384,910	546,276
Zambia	-	-	-	-	-	64,628
Total resources expended	547,307	435,611	111,695	22,339	1,116,952	2,463,119

8b Analysis of grants paid in excess of £50,000

	2019 Total	2018 Total
	£	£
APDO – Ghana	-	80,799
Bio Fortification – The Gambia	122,157	0
Cooperazione Internazionale (COOPI) – Malawi	-	136,644
CRS – Gambia	-	87,115
CUMO – Malawi	-	98,331
EduSport Foundation – Zambia	-	64,628
Go Echo – The Gambia	65,027	0
GOAL – Malawi	-	133,869
IC – Bangladesh	-	58,425
MBOSCUDA – Cameroon	-	110,773
Moving The Goalposts – Kenya	-	118,363
NEMA HORTICULTURE – The Gambia	98,139	-
PRBIASE – Nigeria	-	56,444
PRGWER – Nigeria	246,446	88,577
PRIKOM – Nigeria	-	66,473
PRIYALA – Nigeria	-	52,441
PRLOG – Nigeria	127,562	74,612
Self Help Africa – Malawi	-	133,195
SMKK – Bangladesh	382,575	183,608
World Fish – Bangladesh	-	50,340
Grants under £50,000	75,047	868,483
Total	1,116,952	2,463,119

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

9. Net outgoing resources for the year

This is stated after charging:	2019	2018
	£	£
Depreciation	251,999	277,327
Trustees' indemnity insurance	3,695	3,053
Trustees' expenses	578	931
Loss on disposal	–	310,877
Auditors' remuneration:		
▪ Audit	32,690	27,600
▪ Audit – Donor audits	27,001	34,153
▪ Under accrual for previous year	–	10,514
Operating lease rentals:		
▪ Property	291,479	217,245
▪ Other	1,600	1,600

The number of trustees receiving expenses was 6 (2018: 9). Remuneration received by trustees was Nil (2018: Nil). Trustees expenses covered travel and accommodation costs incurred in attending trustee meetings, training costs and travel costs incurred visiting Country Programmes.

10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	UK and International £	Overseas £	2019 £
Salaries and wages	1,168,029	2,289,415	3,457,444
Redundancy and termination costs	–	–	–
Social security costs	77,670	–	77,670
Pension contributions	26,657	–	26,657
Other staff costs	127,480	176,684	304,164
	1,399,836	2,466,099	3,865,935
	UK and International £	Overseas £	2018 £
Salaries and wages	1,470,153	4,030,255	5,500,408
Redundancy and termination costs	2,902	–	2,902
Social security costs	90,774	–	90,774
Pension contributions	19,709	–	19,709
Other staff costs	112,634	120,747	233,381
	1,696,172	4,151,002	5,847,174

The number of employees whose emoluments, as defined for taxation purposes, amounted to £60,000 or more in the year were as follows:

	2019	2018
	£	£
£60,000 – £69,999	1	1
£70,000 – £79,999	1	1
Total	2	2

The total employee benefits including pension contributions of the key management personnel were £311,265 (2018: £296,858).

1 additional member of staff members exceed a lower threshold of EUR 60,000 (2018: 3)

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

11. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	UK and International No.	Overseas No.	2019 No.	2018 No.
Charity				
Operations	13	377	390	466
Fundraising and publicity	4	-	4	5
Governance	2	-	2	2
Subsidiary (CUMO)				
Operations	-	166	166	158
Subsidiary (Village Aid)				
Fundraising and publicity	2	-	2	2
Total Group Employees	<u>21</u>	<u>543</u>	<u>564</u>	<u>633</u>

12 Related party transactions

There are no related party transactions to disclose for 2019 (2018: none).

Aggregate donations from related parties were None (2018: £220,681).

Intra group transactions are disclosed in Note 15.

13. Taxation

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

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

14. Tangible fixed assets

Group:	Land and buildings £	Drilling rig £	Office furniture & equipment £	Vehicles £	Total £
COST					
At 1 April 2018	251,696	74,248	123,904	761,524	1,211,373
Additions in year	33,922	5,792	146,372	154,444	340,530
Unrealised exchange movement on CUMO asset valuation	10,790		6,231	16,586	33,607
At 31 March 2019	296,408	80,040	276,507	932,554	1,585,511
DEPRECIATION					
At 1 April 2018	33,611	24,724	76,630	439,894	574,858
Charge for the year	6,802	19,723	35,498	189,975	251,999
Unrealised exchange movement on CUMO asset	-	-	3,693	8,432	12,125
At 31 March 2019	40,413	44,447	115,821	638,302	838,982
NET BOOK VALUE					
At 31 March 2019	255,995	35,593	160,686	294,252	746,526
At 31 March 2018	218,085	49,524	47,274	321,630	636,514
Charity:					
COST					
At 1 April 2018	126,526	74,248	50,154	552,991	803,919
Additions in year	-	5,792	130,541	143,863	280,196
At 31 March 2019	126,526	80,040	180,695	696,854	1,084,115
DEPRECIATION					
At 1 April 2018	33,611	24,724	33,589	346,458	438,382
Charge for the year	6,802	19,723	24,384	152,191	203,101
At 31 March 2019	40,413	44,447	57,973	498,650	641,482
NET BOOK VALUE					
At 31 March 2019	86,113	35,593	122,722	198,204	442,632
At 31 March 2018	92,915	49,524	16,565	206,533	365,538

All tangible fixed assets are used for direct charitable purposes.

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

15. Subsidiary undertakings

CUMO

The charity controls CUMO Microfinance Ltd, a company limited by guarantee and incorporated in Malawi. Accounts for CUMO have been prepared and audited in Malawi Kwacha for the year to 31 December 2018. These accounts, adjusted to the year to 31 March 2019 have been consolidated into United Purpose (formerly Concern Universal)'s accounts on a line by line basis. The Trustees consider that given seasonal factors affecting the take up of loans by CUMO's client group, it is currently appropriate to maintain a different accounting year end for CUMO from United Purpose (formerly Concern Universal).

As the CUMO audited accounts are prepared in Malawi Kwacha, an unrealised gain/(loss) on translation of these accounts for consolidation is shown as an exceptional item on the face of the Statement of Financial Activities. As these are in a separate column on the SOFA, these results are not set out below.

United Purpose Trading Ltd formerly Concern

The charity controls United Purpose Trading Ltd (formerly Concern), a company limited by guarantee incorporated in the United Kingdom. The results for the year to 31 March 2019 has been consolidated on a line by line basis.

	2019	2018
	£	£
United Purpose Trading Ltd Profit and Loss Account		
Turnover	130,342	92,763
Gross profit	130,342	92,763
Admin & distribution costs	88	88
Operating profit	<u>130,254</u>	<u>92,675</u>
Realised exchange loss	-	(1,807)
Gift aid to parent undertaking	-	(90,868)
Profit on ordinary activities before taxation	<u>130,254</u>	-
Taxation	-	-
Profit for the financial year	<u><u>130,254</u></u>	<u><u>-</u></u>

The aggregate of the assets, liabilities and funds was:

	2019	2018
	£	£
Assets	294	90,950
Liabilities	<u>(294)</u>	<u>(90,950)</u>
Funds	<u><u>-</u></u>	<u><u>-</u></u>

The profit of United Purpose Trading Ltd (formerly Concern) is transferred to parent company via Gift Aid.

Village Aid

The charity is the controlling member of Village Aid, a UK charitable company limited by guarantee (company no. 03446625, charity no. 1067322). The summarised statement of financial activities for the year ended 31 March 2019 and assets and liabilities as at 31 March 2019 are shown below. Full accounts are filed with the Charity Commission and Companies House.

Village Aid income and expenditure summary

	Restricted	Unrestricted	2019	2018
	£	£	£	£
Income	7,200	87,217	94,417	130,418
Expenditure		(81,275)	(81,275)	(120,843)
Net incoming/(outgoing) resources for the year	7,200	5,942	13,142	9,575
Funds at the start of the year	-	26,274	26,274	16,699
Funds at the end of the year	<u>7,200</u>	<u>32,216</u>	<u>39,416</u>	<u>26,274</u>

Included in expenditure is a grant support cost from the parent entity of £NIL (2018: £115,240)

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

15. Subsidiary undertakings (continued)

Village Aid balance sheet	2019 £	2018 £
Assets	120,603	141,514
Liabilities	(81,187)	(115,240)
	<u>39,416</u>	<u>26,274</u>
Restricted funds	7,400	-
Unrestricted funds	<u>32,016</u>	<u>26,274</u>
	<u>39,416</u>	<u>26,274</u>

16 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2019 £	2018 £
Gross income	12,610,292	16,976,623
Result for the year	<u>(1,409,466)</u>	<u>(589,862)</u>

17. Debtors

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	62,625	40,648	30,359	37,000
CUMO outstanding client loans	921,634	707,711	-	-
Amounts due from donors	586,808	978,953	586,808	978,953
Prepayments	31,135	57,126	27,734	57,126
Other debtors	259,433	626,588	242,754	741,848
	<u>1,861,635</u>	<u>2,411,026</u>	<u>887,655</u>	<u>1,814,927</u>

18. Creditors : Amounts falling due within one year

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Taxation and social security costs	23,468	33,660	12,996	33,660
Trade creditors	442,516	282,142	442,516	322,178
Accruals	67,549	146,725	67,549	146,725
CUMO loan collateral fund	187,072	127,126	-	-
Insurance Premiums	14,219	12,437	-	-
Loan: Drilling rig	-	31,250	-	-
Sundry creditors	813,529	712,313	646,071	536,804
	<u>1,548,353</u>	<u>1,345,653</u>	<u>1,169,132</u>	<u>1,039,367</u>

19. Creditors : Amounts falling due greater than one year

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Amounts payable in 1-2 years				
CUMO - amounts due to funders	57,034	28,191	-	-
	<u>57,034</u>	<u>28,191</u>	<u>-</u>	<u>-</u>

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

20a Analysis of net assets between funds (current year)

Group:	Restricted funds £	Designated funds £	CUMO £	General funds £	Total funds £
Tangible fixed assets	-	-	303,892	442,634	746,526
Current assets	3,351,337	157,883	1,509,428	1,162,336	6,180,984
Current liabilities	-	-	(378,927)	(1,169,426)	(1,548,353)
Long term liabilities	-	-	(57,034)	-	(57,034)
Net assets at 31 March 2019	3,351,337	157,883	1,377,359	435,544	5,322,123

20b Analysis of net assets between funds (prior year)

Group:	Restricted funds £	Designated funds £	CUMO £	General funds £	Total funds £
Tangible fixed assets	-	-	270,965	365,549	636,514
Current assets	4,773,065	166,637	1,289,884	944,149	7,173,735
Current liabilities	-	-	(307,089)	(1,038,564)	(1,345,653)
Long term liabilities	-	-	(28,191)	-	(28,191)
Net assets at 31 March 2018	4,773,065	166,637	1,225,569	271,134	6,436,405

21. Operating lease commitments

The charitable company had total commitments under operating leases expiring as follows:

Group	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
0 – 1 year	291,479	217,245	1,600	1,600
1 – 2 years	134,703	100,936	533	1,600
2 – 5 years	52,700	106,894	-	535
	478,882	425,074	2,133	3,735

Charity	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
0 – 1 year	281,275	202,542	1,600	1,600
1 – 2 years	134,703	99,653	533	1,600
2 – 5 years	52,700	106,894	-	535
	468,678	409,090	2,133	3,735

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

22a Movements in funds (current year)

Restricted funds

Group and Charity:	At 1 April 2018 £	Incoming and gains £	Expenditure and losses £	Transfers £	At 31 March 2019 £
Exploitation and conflict	350,535	1,110,094	(1,303,524)	-	157,105
Health and Wellbeing	1,719,287	4,402,448	(4,852,432)	-	1,269,303
Livelihoods	2,745,464	5,194,757	(6,045,038)	-	1,895,183
Environment	(42,224)	304,801	(240,031)	-	22,546
held by Village Aid	-	7,200	-	-	7,200
Total restricted funds	4,773,062	11,019,299	(12,441,025)	-	3,351,337
Unrestricted funds:					
<i>Designated funds:</i>					
Malawi					
Sustainable energy fund	79,682	53,495	(62,236)	-	70,941
Eureka rig	37,650	-	(13)	-	37,637
Gambia					
Vehicle replacement	49,305	-	-	-	49,305
<i>Total designated funds</i>	166,637	53,495	(62,249)	-	157,883
General Funds held by CUMO	1,225,569	1,023,674	(871,884)	-	1,377,359
General Funds held by Village Aid	26,274	87,017	(81,275)	-	32,016
General funds	244,860	1,675,239	(1,516,572)	-	403,527
Total unrestricted funds	1,663,340	2,839,426	(2,531,980)	-	1,970,785
Total funds	6,436,405	13,858,725	(14,973,005)	-	5,322,123

Transfers between funds

Transfers between funds represent movements of funds between projects.

Any transfers from restricted funds into unrestricted funds are as result of a review of fund balances to identify funds held in restricted funds on projects that are now complete. The fund balances are reviewed once the final donor reports have been submitted and accepted by donor, if the likelihood of funder clawback is remote the amount is deemed to be unrecognised income that can be classified as unrestricted. The prior year funds below have been restated to reflect the correct position at year end of the funds. These adjustments did not impact on the overall fund position at 31 March 2018.

Purposes of restricted funds

Restricted funds consist of donor funding for specific development projects, plus an allocation of voluntary income restricted for other purposes than specific development projects. The restricted funds held by Village Aid have been shown as restricted as they are to be spent in line with the donors intentions.

Any fund balances in deficit, is due to payments due from donors not having been received at year end, and post year end receipts not being accrued due to the nature of donor contract.

A proportion of the restricted funds balance is held in cash funds in project specific bank accounts and as such is not available for group cash resources.

Purposes of designated funds

The eureka rig fund is designated for the replacement of drilling equipment in Malawi.

The vehicle replacement funds are designated for replacement of vehicles in the specified country programmes.

The sustainable energy fund in Malawi is designated to covers staff costs and business development costs of the unit to assure future revenues from carbon credit trading.

CUMO loan funds are held for making microfinance loans in Malawi, specifically to living those in extreme poverty in rural areas. These funds arise from initial grants from the Department for International Development (granted to establish a revolving loan fund), supplemented by surpluses generated through the charging of loan interest, less the cost of administering the loans. The cash resources of CUMO are not available for group cash resources and therefore has been shown seperately.

22b Movements in funds (prior year)

Restricted funds

	At 1 April 2017 £	Incoming and gains £	Expenditure and losses £	Transfers £	At 31 March 2018 £
Group and Charity:					
Exploitation and Conflict	375,173	965,096	(1,083,414)	93,679	350,534
Health and Wellbeing	2,072,911	3,578,264	(4,068,285)	136,396	1,719,286
Livelihoods	2,402,444	10,861,248	(10,001,474)	(516,753)	2,745,465
Environment	-	608,712	(887,538)	236,603	(42,223)
Total restricted funds	4,850,528	16,013,320	(16,040,711)	(50,072)	4,773,061
	At 1 April 2017 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2018 £
Group and Charity:					
Unrestricted funds:					
<i>Designated funds:</i>					
UK					
Sustainable energy fund	67,224	-	-	(67,224)	-
Malawi					
Sustainable energy fund	-	36,380	43,301	-	79,681
Eureka rig	-	61,244	(2,011)	(21,582)	37,651
Medical fund	1,981	-	-	(1,981)	-
Gambia					
Vehicle replacement	-	9,522	3,114	36,669	49,305
<i>Total designated funds</i>	69,205	107,146	44,404	(54,118)	166,637
General Funds held by CUMO	1,279,776	893,098	(947,305)	-	1,225,569
General Funds held by Village Aid	-	-	-	26,274	26,274
General funds	871,393	1,170,206	(1,874,654)	77,915	244,860
Total unrestricted funds	2,220,374	2,170,451	(2,777,555)	50,072	1,663,340
Total funds	7,070,902	18,183,770	(18,818,266)	-	6,436,405

United Purpose

Notes to the financial statements

For the year ended 31 March 2019

23 Reconciliation of net outgoing resources to net cash flow from operating activities:

	2019 £	2018 £
Net outgoing resources	(1,114,280)	(634,495)
Effect of foreign exchange rate movements		-
Dividends, interest and rent from investments	(227,864)	(54,175)
Depreciation	251,999	277,327
Unrealised exchange loss on CUMO assets	(21,482)	10,704
Loss on disposal of fixed assets	-	310,877
(Increase) in inventory	(22,350)	(7,470)
Decrease / (increase) in debtors	549,391	125,573
(Decrease)/increase in creditors	231,543	(143,376)
Non-cash prior year adjustment in Malawi accounts	-	1,465,679
Net cash (outflow) / inflow from operating activities	353,042	1,350,644

The prior year adjustment made in 2018 relates to funds held on behalf of Malawi by UKO that were not previously recognised as income receivable by Malawi and correspondingly not recognised as part of the intercompany balance owed from UKO. To true up the closing balances of funds held a comprehensive review of UK ledger in UKO was performed and a prior year adjustment was been necessary in Malawi accounts.

24 Analysis of cash at bank and in hand

	Charity £	Subsidiaries £	Total £	2018 £
General accounts in the UK	953,828	118,161	1,071,988	890,350
Project specific accounts in the UK	43,317		43,317	460,436
Held in overseas accounts	<u>2,717,225</u>	<u>456,999</u>	<u>3,174,224</u>	<u>3,177,648</u>
Total cash funds held	<u>3,714,370</u>	<u>575,160</u>	<u>4,289,529</u>	<u>4,528,433</u>

25 Capital Commitments

At the 31 March 2019 there were no capital commitments (2018: Nil).

26 Contingent Assets

As at 31 March 2019, the number of carbon credits held by United Purpose is 328,361 units (2018: 68,819 units) with a price range per unit of £1.35/t – £4.07/t. The total value of this contingent asset is therefore recognised as being in the range £443,287 – £1,336,429 and may be considered part of general funds

27 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Independent auditor's report

To the members of

United Purpose

Opinion

We have audited the financial statements of United Purpose (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent charitable 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 trustees' use of the going concern basis of accounting in the preparation of the group financial statements is not appropriate; or
- The trustees have not disclosed in the group financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of

Independent auditor's report

To the members of

United Purpose

accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, including the strategic report, than the group financial statements and our auditor's report thereon. Our opinion on the group 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.

In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in 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 there is a material misstatement in the group financial statements or a material misstatement of the other information. 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.

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 trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic 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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

Independent auditor's report

To the members of

United Purpose

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable 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; or

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable 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 the parent charitable 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 charitable 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 auditor 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

Independent auditor's report

To the members of

United Purpose

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's or the parent charitable company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable 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

Independent auditor's report

To the members of

United Purpose

charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)

23 December 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006