

**mothers2mothers (UK) Limited**  
**(A Company Limited by Shares)**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2015**

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2015

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## **Reference and administrative details**

The registered name of the charity is mothers2mothers (UK) Limited. It is registered with the Charity Commission in England and Wales with the number 1119721 and registered with Companies House with the number 5981078.

**Full name and registered address:**

mothers2mothers (UK) Ltd  
St Mark's Studio  
14, Chillingworth Road  
London  
N7 8QJ

**Charity Registration Number: 1119721**

**Company Registration Number: 5981078**

**Trustees:**

Derek Lubner  
Carl Wesley Stewart  
Carolina Manhusen-Schwab  
Ngozi Nnenna Orji (appointed 8 June 2015)  
Samantha Bond (appointed 19 May 2016)

**Senior member of staff**

Emma France (European Director)

**Solicitors:**

**Farrer & Co LLP**  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

**Bankers:**

CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

**Statutory auditor:**

Saffery Champness  
71 Queen Victoria Street  
London  
EC4V 4BE

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The Board have pleasure in presenting their report together with the audited accounts for the year ended 31 December 2015. The Board have adopted the provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015) in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

**Organisational structure**

mothers2mothers (UK) Limited (hereafter referred to as “mothers2mothers (UK)”) is part of the mothers2mothers ‘family’ which consists of three separate entities, each located in a different geographical location; mothers2mothers (UK) which is based in London, mothers2mothers South Africa SA (“mothers2mothers SA”), based in Cape Town, South Africa, and mothers2mothers International Inc. (“mothers2mothers International”), based in Los Angeles, USA. These three entities together are known as the mothers2mothers family and are collectively referred to as “mothers2mothers” (m2m). The relationship between the three entities is operational, based on a shared mission and commitment to unlocking the potential of mothers and families through scalable, high impact interventions in the developing world. mothers2mothers (UK) is principally engaged in awareness raising and mobilising resources for mothers2mothers.

**About mothers2mothers**

mothers2mothers is an Africa-based, global non-profit organisation that unlocks the potential of mothers to eliminate paediatric AIDS and create healthy families and communities. While mother-to-child transmission of HIV is almost entirely preventable, 300 babies are still infected each day in sub-Saharan Africa. mothers2mothers trains, employs, and empowers local women living with HIV, called Mentor Mothers, as frontline healthcare workers in understaffed health centres and within communities. Their intimate understanding of the social and cultural challenges of living with HIV gives them a unique ability to form trusted relationships with other women, vital to helping them access and stay on treatment for the best possible health outcomes for themselves and their families.

Formerly marginalised and disempowered by their HIV status, Mentor Mothers are professionalised, employed, and economically independent, fighting stigma and discrimination by example, becoming role models and leaders in their communities. mothers2mothers’ scalable, high-impact peer approach has proven to reduce mother-to-child transmission rates and achieve better health outcomes, while also creating significant savings through averted HIV treatment costs. Since our founding at one Cape Town hospital in 2001, mothers2mothers has become a leader in global efforts to end paediatric AIDS, reaching more than 1.4 million HIV-positive women in nine African countries. mothers2mothers currently has operations and affiliated operating entities in seven countries in Sub-Saharan Africa (South Africa, Kenya, Lesotho, Malawi, Swaziland, Uganda and Zambia).

**Governing document**

mothers2mothers (UK) Limited is a registered charitable company limited by shares, which was initially incorporated on 27 October 2006 and registered as a charity on 19 June 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Since its initial incorporation the organisation filed to change its name from the Friends of Mothers’ Programmes (UK) Limited to mothers2mothers (UK) Limited, effective with Companies House on 9 June 2011.

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## **Objectives and activities**

### **Purposes and aims**

mothers2mothers (UK) Limited is required by charity and company law to act within the objects of its Memorandum of Association, which are as follows:

To promote the advancement of education, the relief of poverty, and such other purposes as are exclusively charitable under the laws of England and Wales.

More specifically, mothers2mothers' main objective is to support the elimination of mother-to-child transmission of HIV and improve the health and wellbeing of mothers, their families and communities in sub-Saharan Africa by both raising funds and increasing awareness of our cause in Europe. We therefore seek to maximise resource mobilisation by generating both restricted and unrestricted funds, as well as gifts in kind and collaborations and to raise awareness of our cause through advocacy and outreach.

### **Ensuring our work delivers our aims**

We review our objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to our beneficiaries. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities.

### **The focus of our work**

Our main objectives for the year were:

- To support the elimination of mother-to-child transmission of HIV and improve the health and wellbeing of mothers, their families and communities in sub-Saharan Africa by raising funds in Europe
- To raise awareness of the work that mothers2mothers does through advocacy and campaigns.
- We also raise funds and awareness in order to help mothers2mothers deliver its strategic plan (2014-2017) which is committed to creating an HIV-free generation. While we are still very much focused on preventing the transmission of HIV from mother to child, we recognise that paediatric AIDS will only be eliminated when HIV-exposed children are given the opportunity to thrive and reach reproductive age with the skills and knowledge necessary to make the right choices to protect the next generation from HIV. That is why m2m is taking a family-centred approach that extends well beyond pregnancy, birth, and a child's early years. Our services now include:
  - Prevention of Mother-to-Child Transmission (PMTCT), HIV Care and Treatment
  - Reproductive, Maternal, Newborn, Child Health (RMNCH)
  - Early Childhood Development (ECD)
  - Pediatric Case Finding and Support
  - Adolescent Health and Positive Youth Development.

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*Prevention of Mother-to-Child Transmission (PMTCT), HIV Care and Treatment:*

Mentor Mothers promote uptake of services, retain HIV-positive women in care, and improve adherence to treatment by providing essential health education. They provide peer support to women and their male partners in health facilities, households, and communities.

*Reproductive, Maternal, Newborn, Child Health (RMNCH):*

The trusted relationships between Mentor Mothers and their clients make them uniquely effective in providing essential RMNCH services critical to them and their families, including linkages to care and referrals for family planning, cervical cancer screening, child immunization, gender-based violence support, neonatal male circumcision, malaria, nutrition, and TB.

*Early Childhood Development (ECD):*

Specially trained Mentor Mothers provide an essential package of ECD services to children and their parents or caregivers at their homes or within health facilities. This intensive intervention is designed to improve children's cognitive, social, emotional, motor and language development, and physical growth.

*Pediatric Case Finding and Support:*

Using a family-centered approach, Mentor Mothers are trained to identify HIV-positive and HIV-exposed children at health facilities and in communities, link them to care and treatment, and deliver ongoing follow up and adherence support to the children and their families.

*Adolescent Health and Positive Youth Development:*

mothers2mothers provides age-appropriate, sensitive, and empathetic support to adolescents in safe and confidential environments, promoting access to sexual and reproductive health services, building their skills and competencies, and fostering healthy relationships and greater resiliency through role modeling and involving youth in decision making.

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**Volunteers**

mothers2mothers (UK) would like to take the opportunity presented in this Trustees' Report to recognise the indispensable contribution made by volunteers in 2015, including those individuals who volunteer their time either on a regular basis or in providing us with much needed extra assistance during our larger scale fundraising events. We do not underestimate the tireless efforts of this dedicated group of people in organising, attending and supporting our fundraising events throughout the year, and extend our heartfelt thanks to them all.

We would also like to thank a number of individuals who worked for us as interns during the year and provided not only their time but their incredible enthusiasm to helping us to achieve our goals.

We are also very grateful to Victoria Wall and Victoria Wall Associates for their continued support of the organisation.

**Public benefit statement**

mothers2mothers' public benefit is enshrined in its charitable objects as outlined previously.

The Charity Commission in its "Charities and Public Benefit Guidance" requires that there are two key principles to be met in order to show that an organisation's aims are for the public benefit: first, there must be an identifiable benefit and secondly, the benefit must be to the public or a section of the public.

The Trustees confirm that in setting mothers2mothers (UK)'s objectives and planning its activities, they have given careful consideration to the Charity Commission's guidance on public benefit and consider each year how it meets the public benefit objectives outlined in the Charities Act 2011. The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The Trustees are satisfied that mothers2mothers (UK) meets the requirements and conforms with the Act's definition of a charity meeting all elements of the two key principles.

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## **Strategic report**

The information below, including the achievements and performance, financial review, risk management statement and summary of future plans, forms the Strategic report for the purpose of the Companies Act 2006.

### **Achievements and performance**

mothers2mothers (UK)'s main achievements during the year are both our success in mobilising resources, and increasing awareness of and advocating for the work that mothers2mothers does. These are discussed further in the 'Financial Review' section following.

In terms of programmatic achievements, mothers2mothers' Mentor Mother Model has continued to be proven to be effective in improving the health and wellbeing of mothers and children, and reducing mother-to-child transmission of HIV.

Since our founding at one Cape Town hospital in 2001, m2m has reached 1.4 million HIV-positive women in nine countries throughout sub-Saharan Africa. We consider that our programmatic platform is well aligned with current global health priorities – UNAIDS' 90-90-90 targets and the Sustainable Development Goals - and through our work in 2015 we have seen not only that mothers2mothers' Peer Mentor Approach is effective, but also that its Peer Mentor Approach is transferrable to multiple audiences. mothers2mothers' programmatic platform has shown that it is able to deal with multiple health priorities and its facility-to-community platform is effective in reaching both more and a greater variety of clients than ever before.

In 2015:

- We succeeded in reducing the mother to child transmission rate even further from 3.7% to 2.1% (a transmission rate of less than 5% is the standard by which the UN determines elimination of paediatric AIDS)
- Our final infant HIV test uptake was 66% compared to 46% in 2014, proving that we are doing significantly better in supporting Early Infant Diagnosis
- We have continued to keep adolescent girls and young women in care along the 'Prevention of Mother to Child transmission' cascade
- We have continued to provide services at scale by supporting more than 1 in 4 HIV-positive pregnant women delivering across mothers2mothers supported countries (either directly or through Implementation Partners)
- We have succeeded in expanding our reach. In 2015, we reached an estimated 860,500 pregnant women, infants, children, adolescent girls and young women, and men compared to an estimated 639,357 pregnant women and infants in 2014.

mothers2mothers is committed to reaching 1.5 million more women and their families in the next 3 years, and bringing health and hope to more women and their families across the continent.

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**Financial review and review of other UK activities**

The Trustees and management team have been pleased to see mothers2mothers (UK) enjoy another very busy and successful year with a number of exciting awareness raising initiatives, fundraising events, partnerships, collaborations, campaigns and grants.

As well as aiming to maximise our fundraising and increase our income streams in 2015, mothers2mothers (UK) continued to strive to raise awareness in the online and social media space, including helping to manage the mothers2mothers website and social media platforms. In 2015, Instagram was our fastest growing platform, achieving a following of over 10,000 people just one year after launch. This platform is managed by the European Communications and Partnerships Manager. It has led to relationships with key influencers and bloggers, such as Courtney Adamo, Founder of Babyccino Kids who has 182,000 followers, and Molly Gunn, Founder of Selfish Mother, who in 2016 became a great supporter of mothers2mothers both in raising awareness and donations.

In May 2015, members of the mothers2mothers (UK) team attended the Global Gift Gala in Paris. Following a visit to Kenya with the Global Gift Foundation in April 2015, this event was a pivotal point in the relationship that led to both financial and awareness raising gains. Celebrity engagement online during and following this event was tremendous in raising our profile and reputation.

In other examples of advocacy and awareness-raising by mothers2mothers (UK), on World AIDS Day 2015, an article titled 'If You Only Learn About One Charity This World AIDS Day, Make It This,' was published in Red Magazine, which reaches mothers2mothers' target audience. Media coverage like this contributed significantly to raising our profile in a somewhat crowded UK media market.

We also gained UK-based press coverage as a result of the 'Celebrating 15 Years of mothers2mothers' event, which is discussed further below.

The various activities in 2015 have consolidated a sustained period of growth that have been driven by a number of different income streams, both within unrestricted and restricted income. mothers2mothers (UK)'s strategy has been to create consistent and ongoing income streams, and 2015 has seen an increase from 2014 in both unrestricted and restricted income.

*Unrestricted income*

*Mother's Day afternoon tea*

A Mother's Day Afternoon Tea, hosted by Nadya Abela at Morton's Private Members Club, took place in March 2015 which not only raised unrestricted funds but also helped increase mothers2mothers' profile. 40 guests attended and donations were made during a wonderful afternoon for all involved. This was extremely successful in introducing new, as well as existing, donors to the work that mothers2mother does and is now creating a pipeline on which to base future events. The event also attracted publicity in various magazines and publications. We would like to extend our thanks to those involved.

*'Celebrating 15 Years of mothers2mothers' event*

In terms of unrestricted fundraising, the largest contributor to unrestricted income during 2015 was from the fundraising event, 'Celebrating 15 Years of mothers2mothers.' This event was hosted on 3 November by singer, songwriter and activist Annie Lennox who performed for the 250 guests gathered at One Marylebone. Ms. Lennox was joined by actor Hugh Bonneville of Downton Abbey fame, and Scottish journalist and BBC Newsnight presenter Kirsty Wark, who co-hosted the event. Guests bid generously throughout the night during a live auction, silent auction and a pledge moment. The event raised in excess of £500,000 in support of mothers2mothers.

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UNAIDS Ambassador Victoria Beckham was among the speakers and also generously donated items from her pre-Spring/Summer 2016 Ready-to-Wear collection to the auction. She shared her passion for mothers2mothers, having visited our programme on more than one occasion and seeing for herself the inspirational work that Mentor Mothers do. The event was supported by MAC Cosmetics, Universal Music, Gucci, XIX Management and Next Model Management.

The 15th anniversary celebration event achieved a great amount of publicity in publications including: The Telegraph, Daily Mail, Red Magazine, Marie Claire and The Evening Standard which we hope will lend itself to the cultivation of guests, corporates and media involvement for future major fundraising events in London and Europe.

We are extremely grateful to all those who supported and attended the event, as well as to the individuals and companies who donated items for the auction, and would like to thank them all for their support and enthusiasm both throughout and since the event.

*Other collaborations, partnerships and fundraising events*

2015 was also a year in which mothers2mothers (UK) launched other cause-related marketing partnerships. Vild, House of Little, Babyccino Kids and Roly Pony Baby all started relationships with mothers2mothers in 2015 and we are extremely grateful to them for their support.

A number of community led fundraising events took place during the year including fundraisers who supported us in their sporting achievements as well as by organising specific social events. One intrepid fundraiser took part in her first ever challenge event, running the Hackney Half Marathon, another ran 10km in her hometown of London. Away from the sporting activities, Louis Dreyfus Commodities tested their brain power in the second annual LDC Geneva Charity Pub Quiz to raise funds for mothers2mothers. We would like to extend our thanks to all of them for their support during the year and to everyone else who has contributed to our community led events. We continue to build our community fundraising and are looking forward to further events taking place in 2016.

mothers2mothers (UK) also continued to strengthen its Major Donor giving. Launched in 2011 as mothers2mothers' "Global Ambassadors", this group has evolved and developed since then and provides the charity with a predictable source of unrestricted revenue. We would like to take this opportunity to thank all those involved and we have very exciting plans to transform and expand this group globally in 2016.

2015 also saw the launch event for 'Cycle to Zero Malawi 2016', a cycle challenge event which took place in Malawi in May 2016. This involved participants cycling over 300km through Malawi, the fundraising for which will be reflected in the 2016 financial year. The event not only allowed participants to help us raise funds for mothers2mothers but also gave them the opportunity to meet some of our team on the ground whilst seeing first hand some of the vital work that is being done in Malawi. The event was an amazing success for mothers2mothers and participants alike and would like to thank the participants and their supporters for their support and enthusiasm throughout the event.

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*Restricted income*

In July 2015, we were awarded a significant grant by The Denise Coates Foundation, a long-standing funder, towards the funding of five 'LIGHTS' Sites in the Western Cape where mothers2mothers began. Known as "LIGHTS" (Learning and Innovation Generating High Impact Teaching Sites), these special sites will enable us to test and broaden our reach programmatically. We will continue to support HIV-positive women through existing services, enhancing our learning and breadth of services in order to better serve the health needs of women and their children across sub-Saharan Africa, achieving stronger health outcomes towards the post-2015 health development goals. The additional services to be piloted and scaled include initiatives around Early Childhood Development, Community Mentor Mothers, Gender-Based Violence, and other strategic interventions ensuring mothers2mothers is at the cutting edge of eliminating paediatric AIDS and keeping mothers alive. We are incredibly grateful to the Trustees of The Denise Coates Foundation for their support.

We are also very grateful for the continued support of Comic Relief, including the awarding of a new grant in 2015.

Restricted income was received from various sources during the year: Comic Relief, Denise Coates Foundation, LJC Fund Limited and Global Gift Foundation.

The activities of mothers2mothers (UK) resulted in the granting of sub awards to mothers2mothers SA totalling £462,914 in 2015 (2014: £267,197) as well as an additional donation of £100,000 (see note 8) to help fund the various programmes supported by mothers2mothers.

*Support for the wider mothers2mothers organisation*

In addition, mothers2mothers (UK) continues to provide invaluable support to mothers2mothers SA in helping it grow other trust, foundation and institutional donors. This support helped to secure a three-year grant with the Department for International Development (DFID) in 2013 totalling £3,999,989 over its duration which is being received directly into mothers2mothers SA.

The European Director, along with other senior members of the management team of mothers2mothers (UK), also spent considerable time in 2015 growing and stewarding other institutional relationships, such as with the Elton John AIDS Foundation (EJAF), LGT Venture Philanthropy and Vitol Foundation, as well as performing an advocacy role in raising awareness of the wider mothers2mothers organisation through attending conferences and meetings throughout Europe. The value of income received directly into mothers2mothers SA which mothers2mothers (UK) has helped support and steward amounts to almost £1.9 million in 2015.

**Investment powers and policy**

In line with mothers2mothers (UK)'s purposes, the majority of unrestricted reserves is distributed by way of grants to mothers2mothers SA, leaving a relatively small amount in reserves at each year end. This is in accordance with mothers2mothers SA's needs, with mothers2mothers' strategy and in line with a risk-averse investment policy which determines that any small amounts of cash will be held in bank deposits, and therefore negates the need or potential for investments to be held in the UK.

**Grant making policy**

mothers2mothers (UK) makes sub awards and donations to mothers2mothers SA in furtherance of its charitable objectives. These are made in accordance with both the reserves policy of mothers2mothers (UK) and mothers2mothers' needs.

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**Risk management**

The Trustees consider that the principal risks and uncertainties facing the organisation are:

- An over reliance on specific key fundraising events
- The loss of key staff and therefore the loss of institutional knowledge
- The erroneous view that HIV/AIDS is 'done' and the potential for donors to no longer be engaged
- An insufficient number of Trustees on the Board
- The relatively unstable economic and political climate, as a result of "Brexit", which may cause our donors to want to change their level of giving because they are more cautious or which may result in strategic changes for certain institutional funders.

In order to mitigate these risks, the Trustees and management have put in place the following controls, systems and procedures:

- More varied income streams are being developed strategically (and have been over the last five years) which are proving successful in generating consistent and reliable sources of income for the organisation
- Regular appraisal meetings with all employees take place in order to ensure that staff engagement remains high and succession planning with regards to key staff is being undertaken. Opportunities for further development and promotion are available to employees as the team expands. We also ensure that all institutional knowledge is recorded in a CRM system
- Management ensure that significant time and effort is spent creating regular communications to be shared with our donors. We also organise regular events which donors can attend in order to stay engaged with the mothers2mothers story. This includes opportunities for us to bring our work to donors as well as organising events that take our donors to the programmatic work of mothers2mothers. We continue to innovate to find ways to do this well and to engage new and varied audiences
- In addition to the two most recent Trustees that were engaged in 2015 and 2016, the organisation is still actively recruiting for new trustees with appropriate skill sets based on skills audits
- We have spent time building strong relationships with our donors by adopting an integrated, European approach to fundraising whilst taking a "wait and see" approach to understanding the impact on the organisation of the broader political and economic landscape.

A formal risk register exists which includes documentation of the controls in place to mitigate all the risks identified as applicable to the organisation and this register is periodically reviewed and updated by the Trustees.

**Going concern**

The Trustees and management have reviewed their budgets and forecasts in line with the strategic plan of the organisation and consider that it is therefore appropriate to prepare these financial statements on a going concern basis.

**Results for the year**

Income for the 12 months to 31 December 2015 totalled £2,032,932 (2014: £962,189) of which £1,043,015 relates to restricted income (2014: restricted income £324,333). The overall figure includes gifts and services in kind which, under the new Charities SORP, are required to be valued and included within income for the year. In 2015, such gifts and services in kind amounted to £179,281 (2014: £289,625).

The increase in total income from 2014 is as a result of an increase in both restricted and unrestricted income; unrestricted income has increased in line with management's expectations due to the major biennial fundraising event taking place in 2015 which increases our level of donations in that year. The decision to hold a major fund raising event every two years was taken in 2011 in order to maintain interest and excitement in the major event and reduce the risk of creating donor fatigue.

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There were net incoming resources for the year of £856,746 of which £291,264 relates to unrestricted incoming resources (2014: £78,022) and this was in line with the organisation's strategy to strengthen its reserve position. As a result, unrestricted reserves carried forward at 31 December 2015 increased to £424,122 from £132,858 at 31 December 2014. It is anticipated that the level of reserves will be lower at the end of 2016 (as discussed below).

**Financial reserves**

The board and management have determined that "free" reserves (i.e., unrestricted reserves) should normally be maintained to at least six months of the organisation's operational costs. This amount was identified as sufficient to provide adequate cash flow and unrestricted funding to meet a reasonable range of contingencies and risks. The board and management recognise that exceptional circumstances may arise that warrant the temporary use of the organisation's unrestricted funds reserves in excess of these amounts. Unrestricted reserves should, nonetheless, generally not be allowed to fall below the equivalent of three to six months of operational costs unless approved by the Trustees in exceptional circumstances. The Trustees aim to ensure that future unrestricted reserves will not fall below this level unless in exceptional circumstances.

Total reserves at 31 December 2015 are £989,604, of which free reserves are £424,122. None of the free reserves have been designated or committed for any specific purpose. The Trustees acknowledge that the level of free reserves is higher than the reserves policy that has been set. However, the majority of these free reserves were created as a result of the large fundraising event that occurred towards the very end of the financial year, and the Trustees therefore agreed that an additional donation would be made to mothers2mothers SA in 2016 in order to bring the level of unrestricted reserves back in line with the policy.

**Summary of future plans**

mothers2mothers (UK)'s future plans are broadly twofold. Firstly, to continue its investment in the European office and grow its income, donor base and revenue in a sustained and consistent way in the long term. As part of this plan, the decision was made for mothers2mothers (UK) to relocate their offices in March 2016 to facilitate the envisaged expansion. Furthermore, management decided to start the recruitment process for a new Head of Fundraising as well as an additional support post. Secondly, mothers2mothers (UK)'s plans are to continue to support the work of mothers2mothers throughout sub-Saharan Africa, including supporting the continued expansion of the model to target countries with high disease burden and prevalence, such as Zambia, where we started work in late 2015.

In line with mothers2mothers (UK)'s strategic plan, the Trustees envisage that 2016 will achieve a lower level of both restricted and unrestricted income. This is due to the number, type and timing of restricted grants receivable in 2016 as compared to 2015, and due to the large biennial fundraising event, which took place in November 2015, not being replicated in 2016. 2016 is also intended to be a year in which investments in staffing and infrastructure are made, and it will be a year of consolidation and foundation laying for growth. An office move also took place in March 2016.

*Future programmatic developments for mothers2mothers include:*

**Early Childhood Development**

mothers2mothers' new Early Childhood Development (ECD) services, which are integrated into our prevention of mother-to-child transmission of HIV (PMTCT) programme, recently launched in Swaziland through funding under USAID.

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A growing body of evidence shows that quality healthcare, proper nutrition, and social and emotional stimulation through the first 1,000 days are the foundations for success later in life. Children deprived of these developmental influences are likely to have lower educational levels, lower income as adults, and poor parenting skills, thus perpetuating the cycle of intergenerational poverty and early childhood deprivation. Particularly vulnerable are HIV-exposed or HIV-positive children, whose parents can become ill, die, or experience stress and poor mental health, thus reducing the quality of care that they receive.

Specially trained Mentor Mothers provide an essential package of ECD services to children and their parents or caregivers at their homes or within health facilities. This is in addition to HIV education and support to help the mothers and, in some cases, children follow their treatment and stay in care. The intensive intervention is designed to improve children's cognitive, social, emotional, motor, and language development, as well as their physical growth, through stimulation activities and education and referrals on key child health, nutrition, and development issues.

When it is fully rolled out in July 2016, m2m's Swaziland's integrated PMTCT/ECD programme will be located in 21 sites, with six ECD Mentor Mothers at each site. mothers2mothers has also launched similar programmes in Lesotho and South Africa, and has plans to bring the ECD programme to Kenya soon.

**Adolescent HIV/AIDS Epidemic**

In response to the growing HIV/AIDS epidemic among adolescents, m2m recently trained and hired 25 Peer Mentors, between the ages of 20 and 24, to promote HIV counselling and testing, as well as critically-needed safer sex education, among their peers in KwaZulu-Natal, the epicenter of the HIV/AIDS epidemic in South Africa. Supported by USAID, through m2m's Innovations Award, m2m's new integrated adolescent health/RMNCH (reproductive, maternal, newborn, child health) draws from the DREAMS initiative, launched by the President's Emergency Plan for AIDS Relief (PEPFAR) in Eastern and Southern Africa, to ensure that adolescent girls and young women are **D**etermined, **R**esilient, **E**mpowered, **A**IDS Free, **M**entored, and **S**afe.

Rates of HIV infection among adolescent girls and young women, aged 15-24, continue to increase, with up to 7,000 new infections a week globally. Just as worrisome, adolescent girls and young women in South Africa continue to make up 40% of the total pregnant population. These high numbers of HIV infections and pregnancies are driven by gender inequalities, poverty, gender-based violence, age-disparate relationships, and limited access to quality adolescent and youth friendly services.

The goal of m2m's KwaZulu-Natal Adolescent Girls and Young Women's project is to address these challenges, and to reduce HIV infections and HIV-related mortality and morbidity among young women. m2m Peer Mentors co-facilitate youth clubs and support groups in communities to increase knowledge and demand for services, including referrals and linkages for HIV testing and counselling, sexual and reproductive health services, and link those who are positive to care for treatment and to ensure prevention of mother-to-child transmission (PMTCT) of HIV.

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**Structure, governance and management**

The Trustees who served during the year are set out on page 2. The power of appointing new Trustees is vested in the existing Trustees of mothers2mothers (UK). On 8 June 2015, Ngozi Nnenna Orji was appointed as a Trustee. Furthermore, on 19 May 2016, Samantha Bond (also known as Samantha Hanson-Akins) was appointed as a Trustee, taking our total number of Trustees to five. Both have very quickly become full and active members of the Board of Trustees.

The organisation continues to look to strategically recruit new Trustees to the Board. Any new Trustee will be chosen by the existing Trustees for the skills and experience they can bring to mothers2mothers (UK) and any training needs will be assessed on an individual, case by case basis.

One third (or the number nearest one third) of the Trustees must retire at each Annual General Meeting, those longest in office retiring first and the choice between any of equal service being made by drawing lots. A retiring Trustee who remains qualified may be reappointed.

The Trustees are in regular communication both between themselves and with the European Director and are responsible for approving the strategic direction and policies of mothers2mothers (UK).

The material day to day decisions for mothers2mothers (UK) are made by a small team based in London, UK. This team is headed by the European Director, Emma France.

**Induction and training of Board members**

Trustees' skills are reviewed regularly to ensure that they meet the requirements of the organisation. New Trustees are inducted into the charity by discussions between themselves and other Trustees, and members of staff, as opportunities arise. They are presented with background information and have access to the Charity Commission's website. Trustees also attend relevant training for trustees given by external providers as considered necessary.

**Management personnel**

The Trustees consider that the key management personnel in 2015 consisted of the European Director, the European Philanthropy and Partnerships Manager and the Finance and Operations Manager.

The remuneration of key management is based on experience and level of responsibility, and is benchmarked against industry standards for similar roles. It is reviewed on an annual basis based on both the individual employee's and organisation's performance. It is overseen by the Chair of the Board of Trustees.

Together the management personnel received remuneration of £157,311 in 2015 (2014: £130,495).

**Relationship with the charity and related parties including its subsidiaries**

*Related parties*

The shares in mothers2mothers (UK) Limited are held upon trust for the Trustees through a Trust deed signed on 13 August 2013.

mothers2mothers South Africa SA ("mothers2mothers SA"), based in Cape Town, South Africa, and mothers2mothers International Inc. ("mothers2mothers International"), based in Los Angeles, USA, are considered to be related parties by virtue of their shared missions. Related party transactions with these entities are included in the notes to these financial statements.

Each of the Trustees is also considered to be a related party to mothers2mothers (UK).

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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*Subsidiaries*

During the year, the charity had no trading subsidiaries. On 4 March 2016, a new wholly owned trading company, m2m Europe Enterprises Limited, company number 10043425, was created whose shares are entirely owned by mothers2mothers (UK) Limited.

**Statement of the Board's responsibilities**

The trustees (who are also directors of mothers2mothers (UK) Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

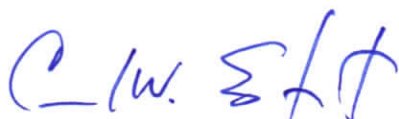
- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement as to disclosure of information to auditors**

The members of the Board who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the members of the Board have confirmed that they have taken all steps that they ought to have taken as members of the Board in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Report of the Members of the Board, which includes the Strategic Report on pages 3 to 15 were approved by the Board on 8th September 2016 and signed on their behalf by



CAROL STEWART  
8TH SEPTEMBER 2016

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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We have audited the financial statements of mothers2mothers (UK) Limited for the year ended 31 December 2015 set out on pages 18 to 31. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

**Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

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

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

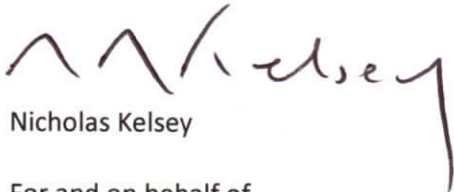
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**Matters on which we are required to report by exception**

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

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



Nicholas Kelsey

For and on behalf of  
Saffery Champness  
Chartered Accountants  
Statutory Auditors  
71 Queen Victoria Street  
London  
EC4V 4BE

12 September 2016

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2015**

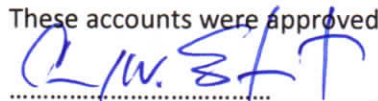
	Notes	Unrestricted income £'s	Restricted income £'s	Total 2015 £'s	Total 2014 £'s
<b>Income and endowments from:</b>					
Donations and legacies	2	242,002	929,932	1,171,934	804,834
Charitable activities	3	-	113,083	113,083	57,136
Other trading activities	4	647,915	-	647,915	100,187
Investments	5	-	-	-	32
Other	6	100,000	-	100,000	-
<b>Total</b>		<u>989,917</u>	<u>1,043,015</u>	<u>2,032,932</u>	<u>962,189</u>
<b>Expenditure on:</b>					
Raising Funds (incl. other trading activities)	7	528,903	-	528,903	493,211
Charitable activities (incl. grants and donations)	8	169,750	477,533	647,283	390,956
Other		-	-	-	-
<b>Total</b>	9	<u>698,653</u>	<u>477,533</u>	<u>1,176,186</u>	<u>884,167</u>
Net gains/(losses) on investments		-	-	-	-
<b>Net income</b>		<u>291,264</u>	<u>565,482</u>	<u>856,746</u>	<u>78,022</u>
Transfers between funds		-	-	-	-
<b>Other recognised gains/(losses):</b>					
Other gains/(losses)		-	-	-	-
<b>Net movement in funds</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>132,858</u>	<u>-</u>	<u>132,858</u>	<u>54,836</u>
<b>Total funds carried forward</b>	<b>17/18</b>	<u>424,122</u>	<u>565,482</u>	<u>989,604</u>	<u>132,858</u>

There were no other gains and losses during the year other than those included within the statement of financial activities. All activities relate to continuing operations. The profit for the purposes of the Companies Act 2006 is the net incoming resources before unrealised losses/gains.

**BALANCE SHEET  
AS AT 31 DECEMBER 2015**

	Notes	2015 £'s	2014 £'s
<b>Fixed Asset</b>			
Intangible assets		-	-
Tangible assets	13	-	53
<b>Total fixed assets</b>		-	53
<b>Current assets</b>			
Stocks		-	-
Debtors	14	117,585	63,884
Investments		-	-
Cash at bank and in hand		918,367	191,537
<b>Total current assets</b>		1,035,952	255,421
<b>Liabilities</b>			
Creditors:			
Amounts falling due within one year	15	(46,348)	(22,616)
Amounts falling due greater than one year	16	-	(100,000)
Net liabilities		(46,348)	(122,616)
Pension provision		-	-
<b>Net current assets</b>		989,604	132,805
<b>Total net assets or liabilities</b>		989,604	132,858
<b>The funds of the charity</b>			
Restricted income funds	17	565,482	-
Unrestricted funds	18	424,122	132,858
Revaluation reserve		-	-
<b>Total funds</b>		989,604	132,858

These accounts were approved by the Board on 8th September 2016.

  
CARL STEWART

Chair of Trustees

The notes on pages 21 to 31 form part of these accounts

Company number 5981078

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £'s	2015 £'s	2014 £'s	2014 £'s
<b>Cash flows from operating activities:</b>					
<b>Net cash provided by (used in) operating activities</b>	<b>19</b>		726,830		114,173
<b>Cash flows from investing activities:</b>					
Interest		-		32	
Proceeds from the sale of property, plant and equipment		-		-	
Purchase of property, plant and equipment		-		-	
Proceeds from the sale of investments		-		-	
Purchase of investments		-		-	
<b>Net cash provided by (used in) investing activities</b>			726,830		114,205
<b>Cash flows from financing activities</b>					
Repayments of borrowing		-		-	
Net cash inflows from new borrowing		-		-	
Receipt of endowment		-		-	
<b>Net cash used in financing activities</b>			-		-
<b>Change in cash and cash equivalents in the reporting period</b>			726,830		114,205
Cash and cash equivalents at the beginning of the reporting period			191,537		77,332
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>20</b>		918,367		191,537

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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1

**Accounting policies**

**1.1 Basis of accounting**

The financial statements have been prepared under the historical cost convention, with the exception of listed investments which are included at their market value. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015).

The Trustees confirm that the Charity is a public benefit entity.

**1.2 Incoming resources**

Voluntary income is recognised where there is entitlement, certainty of receipt and where the amount can be measured with sufficient reliability.

Income generated from fund raising events and investment income is recognised when earned.

Donated goods or services received are included in the Statement of Financial Activities as both income and expenditure at a value estimated by the Trustees based on open market value.

**1.3 Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing mothers2mothers (UK) Limited to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to mothers2mothers South Africa SA (mothers2mothers SA) in furtherance of the charitable objectives of the mothers2mothers (UK) Limited. Grants are accounted for when either the recipient has a reasonable expectation that they will receive the grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and the condition attaching to the grant is outside the control of the Trustees.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

**1.3.1 Expenditure on raising funds**

These relate to those specific costs incurred in fundraising, including organising and staging fundraising events and seeking voluntary contributions together with attributable support costs.

**1.3.2 Expenditure on charitable activities**

mothers2mothers (UK) Limited makes grants as noted above in 1.3 and these, along with the direct costs associated with supporting mothers2mothers SA, are allocated to the charitable activity as incurred.

Support costs are the indirect costs of carrying out the activity and are allocated on the basis of time allocation spent on the activity in the year.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**Accounting policies (Continued)**

**1.3.3 Governance**

This represents all costs involving public accountability of mothers2mothers (UK) Limited and its compliance with regulation and good practice. These costs include costs related to statutory audit and constitutional requirements together with attributable support costs and have been allocated into appropriate cost categories.

**1 Tangible fixed assets**

The cost of tangible fixed assets is their purchase cost together with any incidental costs of acquisition. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rate applicable is:

Office equipment	33% straight line
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**1.4 Funds**

General (unrestricted) funds

General funds are donations and other incoming resources receivable or generated for the objects of mothers2mothers (UK) Limited without specified purpose.

Restricted funds

Restricted funds are specifically donated to the Charity where the donor has specified they be used for the benefit of a specific project or for a particular administrative cost.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**2 Donations and legacies**

	<b>Unrestricted income £'s</b>	<b>Restricted income £'s</b>	<b>2015 £'s</b>	<b>2014 £'s</b>
Grants and donations	62,721	929,932	992,653	515,209
Gifts & services in kind*	179,281	-	179,281	289,625
	<u>242,002</u>	<u>929,932</u>	<u>1,171,934</u>	<u>804,834</u>

\*Relates to donated goods and services.

**3 Charitable activities**

	<b>Unrestricted income £'s</b>	<b>Restricted income £'s</b>	<b>2015 £'s</b>	<b>2014 £'s</b>
Grants and contracts *	-	113,083	113,083	57,136
	<u>-</u>	<u>113,083</u>	<u>113,083</u>	<u>57,136</u>

\*Relates to income received from mothers2mothers SA in respect of mothers2mothers (UK) employees who work primarily for the benefit of that entity.

**4 Other trading activities**

	<b>Unrestricted income £'s</b>	<b>Restricted income £'s</b>	<b>2015 £'s</b>	<b>2014 £'s</b>
Income from fundraising events	647,915	-	647,915	100,187
	<u>647,915</u>	<u>-</u>	<u>647,915</u>	<u>100,187</u>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**5 Investment income**

	Unrestricted income £'s	Restricted income £'s	2015 £'s	2014 £'s
Interest	-	-	-	32
	<u>-</u>	<u>-</u>	<u>-</u>	<u>32</u>

**6 Other income**

	Unrestricted income £'s	Restricted Income £'s	2015 £'s	2014 £'s
Other	100,000	-	100,000	-
	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>

Other income relates to the write off of a loan from mother2mothers International during the year.

**7 Expenditure on raising funds**

	Unrestricted £'s	Restricted £'s	2015 £'s	2014 £'s
Fundraising costs	209,272	-	209,272	174,364
Event costs	128,053	-	128,053	19,034
Governance costs	12,297	-	12,297	10,188
Gifts & services in kind	179,281	-	179,281	289,625
	<u>528,903</u>	<u>-</u>	<u>528,903</u>	<u>493,211</u>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**8 Expenditure on charitable activities**

Expenditure on charitable activities includes donations and sub awards made to mothers2mothersSA, as well as an allocation of total governance costs, as follows:

	<b>Unrestricted donations £'s</b>	<b>Grant funding £'s</b>	<b>Other costs* £'s</b>	<b>2015 £'s</b>	<b>2014 £'s</b>
Comic Relief	-	243,661	-	243,661	185,947
LJC Fund Limited	-	40,000	-	40,000	31,250
Denise Coates Foundation	-	66,810	-	66,810	50,000
Global Gift Foundation	-	13,979	-	13,979	-
mothers2mothers SA	100,000	113,083	57,453	270,536	113,571
Governance	-	-	12,297	12,297	10,188
	<u>100,000</u>	<u>477,533</u>	<u>69,750</u>	<u>647,283</u>	<u>390,956</u>

\*Other costs include certain staff costs and other direct costs relating to charitable activities.

Restricted grant funding totalling £477,533 includes grants paid directly to mothers2mothersSA during the year of £462,914.

Under the previous SORP, governance costs were separately allocated on the face of the Statement of Financial Activities.

	<b>Unrestricted £'s</b>	<b>Restricted £'s</b>	<b>Total 2015 £'s</b>	<b>Total 2014 £'s</b>
Charitable activities	169,750	477,533	647,283	390,956
	<u>169,750</u>	<u>477,533</u>	<u>647,283</u>	<u>390,956</u>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**9 Total expenditure**

	Staff costs (note 11) £'s	Fund- raising event costs £'s	Gifts in kind £'s	Grants & sub awards made to m2mSA * £'s	Direct support Costs (note 10) £'s	Governance (note 9) £'s	Total 2015 £'s	Total 2014 £'s
Raising funds	160,933	128,053	179,281	-	57,136	3,500	528,903	493,211
Charitable activities	189,447	-		454,336	-	3,500	647,283	390,956
	350,380	128,053	179,281	454,336	57,136	7,000	1,176,186	884,167

\* Grants and sub awards made to mothers2mothers SA include donations, sub awards and other sundry direct programmatic costs not included elsewhere.

	2015 £'s	2014 £'s
Total resources expended are stated after charging:		
Auditors' remuneration - audit	7,000	5,700
Depreciation	53	414
	<u>7,053</u>	<u>6,114</u>

**10 Analysis of support costs**

Support costs, as disclosed in note 9, are analysed below:

	2015 £'s
IT related costs	4,115
Consultants	6,306
Premises related costs	22,572
Transaction Fees	4,973
Travel, training and meeting related expenses	12,244
Other	6,926
	<u>57,136</u>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**11 Staff costs**

	<b>2015 £'s</b>	<b>2014 £'s</b>
Salaries and wages	316,778	230,834
Social security costs	33,602	25,210
Other pension costs	-	-
	<u>350,380</u>	<u>256,044</u>

**Employees and volunteers**

The average number of employees, analysed by function was:

Fundraising	7	6
Management and administration	1	1
	<u>8</u>	<u>7</u>

Included within the wages and salaries costs above are seconded staff costs of £109,817 which relate to supporting mothers2mothers SA.

**Board's and employees' emoluments**

Members of the Board did not receive any remuneration or benefits in kind during the period. Costs incurred by the Board travelling on charity business and reimbursed to them amounted to £nil (2014: £nil).

Total donations received from 4 Members of the Board in 2015 were £37,150 (2014: 3 Members - £38,444).

One employee received emoluments of £90,000 or above (2014: one more than £60,000).

Total remuneration of key management personnel in the period was £157,311 (2014: £130,495).

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**12 Pension arrangements**

During both 2015 and 2014, there was no company pension scheme in place and no pension contributions were made to employees.

**13 Tangible assets**

**Group**

	<b>Equipment £'s</b>	<b>Other £'s</b>	<b>Total £'s</b>
<b>Cost or donated value</b>			
1 January 2015	3,186	-	3,186
Additions	-	-	-
Disposals	-	-	-
At 31 December 2015	<u>3,186</u>	<u>-</u>	<u>3,186</u>
<b>Depreciation</b>			
1 January 2015	3,133	-	3,133
Charge for the year	53	-	53
Disposals	-	-	-
At 31 December 2015	<u>3,186</u>	<u>-</u>	<u>3,186</u>
<b>Net book value</b>			
At 31 December 2015	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2014	<u>53</u>	<u>-</u>	<u>53</u>

**14 Debtors**

	<b>2015 £'s</b>	<b>2014 £'s</b>
Amounts due from mothers2mothers SA	62,991	8,380
Other debtors	54,594	55,504
	<u>117,585</u>	<u>63,884</u>

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**15 Creditors: Amounts falling due within one year**

	2015 £'s	2014 £'s
Accruals and deferred income	46,348	22,616
	<u>46,348</u>	<u>22,616</u>

The deferred income that exists at 31 December 2015 relates to event registration fees pertaining to the cycle challenge event, 'Cycle to Zero Malawi 2016', which took place in 2016.

**16 Creditors: Amounts falling due greater than one year**

	2015 £'s	2014 £'s
Due to mothers2mothers International	-	100,000
	<u>-</u>	<u>100,000</u>

The creditor due to mothers2mothers International in 2014 represented a non interest bearing loan to mothers2mothers (UK) Limited. A decision was made by the Board of Directors of mothers2mothers International in 2015 to write this loan off and the income is included within the Statement of Financial Activities within "other income".

**17 Restricted Income funds**

These funds have been set aside for certain projects relating to the terms and conditions of specific grants or contracts. It is anticipated that these funds will be used over the coming months and years as the expenditure for which these funds were received is incurred.

	Balance 1 Jan 2015 £'s	Incomings £'s	Outgoings £'s	Gains/ (losses) & Transfers £'s	Balance 31 Dec 2015 £'s
mothers2mothers SA	-	113,083	(113,083)	-	-
Comic Relief	-	623,953	(243,661)	-	380,292
LJC Fund Limited	-	40,000	(40,000)	-	-
Global Gift Foundation	-	13,979	(13,979)	-	-
Denise Coates Foundation	-	252,000	(66,810)	-	185,190
	<u>-</u>	<u>1,043,015</u>	<u>(477,533)</u>	<u>-</u>	<u>565,482</u>

The income and costs relating to mothers2mothers SA of £113,083 relate to seconded staff costs.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**18 Unrestricted funds**

These funds represent all other funds that are not specifically restricted, as discussed in note 17 above.

	Balance 1 Jan 2015 £'s	Incomings £'s	Outgoings £'s	Balance 31 Dec 2015 £'s
General funds	132,858	989,917	(698,653)	424,122
Total unrestricted funds	132,858	989,917	(698,653)	424,122

**19 Reconciliation of net income to net cash flow from operating activities**

	2015 £'s	2014 £'s
<b>Net income for the reporting period (as per the statement of financial activities)</b>	856,746	78,022
Depreciation	53	414
Interest	-	(32)
Increase in debtors	(53,701)	(37,506)
(Decrease)/increase in creditors	(76,268)	73,275
<b>Net cash inflow from operating activity</b>	<u>726,830</u>	<u>114,173</u>

**20 Analysis of cash and cash equivalents**

	2015 £'s	2014 £'s
Cash in hand	399	196
Cash at bank	917,968	191,341
	<u>918,367</u>	<u>191,537</u>

**21 Related parties**

The shares in mothers2mothers (UK) Limited are held upon trust for the Trustees through a Trust deed signed on 13 August 2013.

Amounts due to other entities within the mothers2mothers family at the year end are included in notes 14, 15 and 16 of these financial statements. Amounts received from mothers2mothers South Africa SA are included in note 14. The total amount awarded from mothers2mothers (UK) Limited to mothers2mothers South Africa SA during the year in sub awards and grants amounted to £464,450 (2014: £267,197). The total charitable expenditure relating to the costs associated with supporting mothers2mothersSA, including an allocation of governance costs, in 2015 is £647,283 (2014: £390,956) and is included in note 8 to these financial statements.

Total donations received from 4 Members of the Board in 2015 were £37,150 (2014: 3 Members - £38,444)

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**22 Comparative information – Statement of Financial Activities in 2014**

	Unrestricted £'s	Restricted income £'s	Endowment fund £'s	Total 2014 £'s
<b>Incoming and endowments from:</b>				
Donations and legacies	537,637	267,197	-	804,834
Charitable activities	-	57,136	-	57,136
Other trading activities	100,187	-	-	100,187
Investments	32	-	-	32
Other	-	-	-	-
<b>Total</b>	<b>637,856</b>	<b>324,333</b>	<b>-</b>	<b>962,189</b>
<b>Expenditure on:</b>				
Raising Funds	493,211	-	-	493,211
Charitable activities	66,623	324,333	-	390,956
Other	-	-	-	-
<b>Total</b>	<b>559,834</b>	<b>324,333</b>	<b>-</b>	<b>884,167</b>
Net gains/(losses) on investments	-	-	-	-
<b>Net income</b>	<b>78,022</b>	<b>-</b>	<b>-</b>	<b>78,022</b>
Transfers between funds	-	-	-	-
<b>Other recognised gains/(losses):</b>				
Other gains/(losses)	-	-	-	-
<b>Net movement in funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	54,836	-	-	54,836
<b>Total funds carried forward</b>	<b>132,858</b>	<b>-</b>	<b>-</b>	<b>132,858</b>

The statement of financial activities contains all gains and losses for the year. All activities relate to continuing operations. The profit for the purposes of the Companies Act 2006 is the net incoming resources before unrealised losses/gains.