



**Report of the Trustees
& Audited Financial
Statements for the Year
Ended 31st December 2015**

The Egmont Trust

Report of the Trustees & Audited
Financial Statements for the Year
Ended 31st December 2015



Contents

Reference & Administrative Details	3
Report of the Trustees	4
Report of the Independent Auditors	18
Statement of Financial Activities	20
Balance Sheet	21
Notes to the Financial Statements	22
Detailed Statement of Financial Activities	31



The Egmont Trust

Reference & Administrative Details for the Year Ended 31st December 2015



The Egmont Trust is a non-company charity established by trust deed on 9 February 2005, and registered with the Charity Commission. The Trust Deed was amended by Resolution dated 24th December 2014 to incorporate changes since the inception of the Trust.

Principal address: Temple Court
Cathedral Road
Cardiff CF11 9HA

Phone: 02920 786434
Website: www.egmonttrust.org
Email: info@egmonttrust.org

Registered charity number: 1108199

Trustees: Clare Evans
Jeremy Evans Chairman (appointed 10.3.16)
William Garrett Chairman (resigned 11.2.16)
Alison Mayne
Rory Powe
Ratan Engineer (resigned 11.4.15 due to ill health)
Stuart Powers (appointed 2.12.15)

Chief Executive Officer: Colin Williams OBE

Bankers: Clydesdale Bank plc
35 Regent Street
London SW1Y 4ND

Independent auditors: Haines Watts Wales LLP
7 Neptune Court
Vanguard Way
Cardiff CF24 5PJ

Investment advisor: CCLA Investment Management Ltd
COIF Charity Funds
80 Cheapside
London EC2V 6DZ



The Egmont Trust

Report of the Trustees for the Year Ended 31st December 2015

From the Chairman

2015, our 10th anniversary year, was a year of both celebration and sadness at Egmont.



In April 2015, we were all deeply saddened by the untimely passing of our fellow Trustee, and dear friend, Ratan Engineer. I know I speak for all the Trustees and staff when I say that Ratan is sorely missed, both for his friendship, and for the wisdom and insight he brought to Egmont in his short tenure as Trustee. We are very grateful to Ratan's wife Kate and to his children for their continued support.



As we reflect on the 10 years since Egmont launched, it is clear that the AIDS landscape has changed significantly. Treatment has become more accessible and infection rates are, thankfully, slowing. And yet, AIDS remains Africa's deadliest infectious disease. In 2014, it claimed the lives of 790,000 people, a year which also saw 1.4 million new HIV infections in the region – 190,000 amongst children. For the children and families facing the loss of a parent or loved one, or living with the disease themselves, the locally driven and focused interventions championed by Egmont's partners are as vital now as they were in 2005.

The organisations that Egmont supports have always been at the frontline of the response to AIDS. Their size and their position at the heart of communities, means that they are able to respond quickly to local changes and evolving needs, be they in nutrition, education, livelihoods or health. Egmont's expertise lies in our ability

to successfully identify these organisations and provide funds to them directly, simply and accountably.

Egmont's close family of supporters has been essential to our progress over the last 10 years. Many give their time and energy as Trustees, Patrons and Ambassadors, as well as extraordinarily generous financial support. Last year, thanks to their loyalty and generosity, we saw a significant increase in funds raised from £922,000 in 2014 to a total of £1.72M raised in 2015.

With this increase in funding, we are able to more than double our grant disbursements in Africa in the coming year, and reach many more children & families whose lives have been devastated by AIDS. We are increasing capacity within our staff team to reflect this growth. Nomuhle Gola, previously Country Director for Restless Development in Zimbabwe, has been appointed to the newly created role of Programme Manager, and will ensure continued rigour and professionalism in partner selection and monitoring as our number of funded projects grows.

I would like to thank William Garrett, who resigned as Egmont's Chairman early in 2016, for his ten years of service to the charity. William leaves the charity in a stronger position than ever to continue to mitigate the impact of the AIDS epidemic on those most vulnerable. I would also like to welcome Stuart Powers, our newest Trustee, who joined us at the end of 2015.

Jeremy Evans
Chairman



The Egmont Trust

Report of the Trustees

1. Background & Mission

The Egmont Trust was established in 2005 as a response to the continuing, devastating impact of HIV and AIDS on millions of lives across sub-Saharan Africa. We work with partners to improve the lives of children in six countries: Kenya, Malawi, Mozambique, Tanzania, Zambia and Zimbabwe. Despite the massive investment of donor funds since the early 1990s, the immense scale of HIV & AIDS has had a sweeping social and economic effect on families and communities across all sectors. The most effective responses address a range of issues, including access to education, improving livelihoods, better health and safer communities.

The Egmont initiative marries two distinct perspectives:

Firstly, the experience of well-networked professionals in the African development sector with knowledge of the many outstanding people and locally-driven organisations in place across the region. Over 10 years, our record has shown that impressive and cost-effective results can be achieved by locating, carefully selecting and monitoring these organisations, and committing direct funding to projects targeting children and families affected by HIV & AIDS, with minimal bureaucratic demands.

Secondly, experienced and well-networked professionals in the London financial services sector who believe, and have demonstrated, that significant corporate and individual philanthropic funding can be accessed and directly applied to a portfolio of carefully-selected projects in sub-Saharan Africa.

2. Egmont's Approach

Egmont undertakes the following approach to mitigate the impact of HIV & AIDS on families in sub-Saharan Africa:

- We provide direct annual grants (up to a maximum of £22,000 during 2015) to a portfolio of partners in six targeted countries in sub-Saharan Africa.
- We respect our partners' analysis of local needs and the most effective responses to these, thereby minimising bureaucracy and leading to a wide range of funded projects.
- We operate a portfolio approach which allows us to embrace innovation and reduce risk.
- We have developed rigorous and effective systems for partner selection, reporting and accountability.
- We maintain a strong focus on results, only making grants to organisations which continue to demonstrate impact for the funds invested.
- We encourage and enable links between our partners. We believe this is the best way to share good practice.
- We guarantee that all of our operational costs will be funded by our Patrons and Trustees, thereby ensuring that our donors' funding goes directly to projects in Africa, whilst also promoting rigour and cost efficiency.



The Egmont Trust

Report of the Trustees

3. Egmont's Staff Team

During 2015 we continued to operate with a small team, 3 based at our head office in Cardiff, 2 in London and 1 in Africa. Only two members of staff are full time. Management meetings take place on a fortnightly basis by Skype and the staff team communicate on a daily basis by email, Skype and phone. Three committees, chaired by individual Trustees and comprising both Trustees and staff, meet regularly to drive the different areas of operation forwards, namely, the Programme Committee, the Fundraising Committee and the Finance and Governance Committee. See section 9c.

4. Partner Selection & Monitoring

Egmont has an extensive network of contacts within the 6 countries where we provide grants. This enables us to build and refresh our portfolio of partners, and potential new grantees, using the appropriate and distinctive systems we have evolved. These include:

- Pre-selection of potential partners into a shortlist through initial assessment of people, organisations and projects, including cross-referencing with local contacts;
- Proposal formats that offer no prescribed interventions but enable partners to present their own analysis, plans and expected results;
- Rigorous scrutiny of proposals submitted by shortlisted organisations, with a current approval rate of approximately 50%;
- Simple contractual formats for financial reporting;
- Quarterly and 6 monthly reporting frameworks which focus on results, with specific feedback given to partners after each submission;
- Annual impact evaluations (including partner-to-partner assessments);
- Annual in-country meetings of partners where numbers permit;
- Annual partner visits from members of the Egmont team.



The Egmont Trust

Report of the Trustees



5. Egmont's Impact in 2015

In 2015, Egmont worked with 28 partners in six countries. Please refer to Appendix 1 for a full list of partners and grants made during the year. Below, we offer an illustration of some of the areas of impact and the aggregated numbers of beneficiaries reached by partners working in these fields:

→ 5a. Improving Livelihoods

The loss of a parent to illness or death means that many families are unable to feed the children in their care or to afford medical treatment and other basic household needs. Helping families to grow their own food for consumption and sale, or providing adults with the skills, resources and training to gain employment or start their own income generating activities is the key to long term, sustainable change.

Egmont's partners improve livelihoods by:

- Providing start-up finance, materials and business training for families to establish income-generating initiatives;
- Providing vocational training to unemployed young people that leads to employment or self employment;
- Establishing Income Saving & Loans groups to allow those without access to traditional credit to secure loans;
- Providing seeds, fertilizer, small livestock, equipment and agricultural training;
- Helping people to establish home and communal gardens;
- Offering access to agricultural tools and irrigation equipment.

In 2015, Egmont-funded programmes enabled 2,507 people to undertake business or skills training, and/or join microfinance initiatives to help improve livelihoods. In addition, 21,698 people benefited from improved nutrition.

→ 5b. Education

HIV & AIDS affects families' productive capacity, reducing the means to support their own children and the orphans in their care. Those struggling to feed and clothe their families are often also unable to afford school fees, uniforms and other school essentials. This has helped to put education beyond the reach of 30 million children across sub-Saharan Africa. Providing education to both children and adults is critical to transforming outcomes for families in poverty. Those who receive formal schooling or vocational training are also more likely to become self-reliant.

Egmont's partners' work enables:

- Increased school enrolment of vulnerable children through providing essential supplies and paying fees;
- Support of community schools to widen school provision in poor and rural areas;
- Bursaries for vulnerable children to attend primary and secondary schools;
- Supplementary school programmes that promote extra-curricular learning and increase attendance;
- Literacy and numeracy classes for adults, improving household budgeting and ability to generate income.

In 2015, Egmont-funded projects enabled 3,089 children and adults to access education.



The Egmont Trust

Report of the Trustees



→ 5c. Healthier Futures

While infection rates are beginning to slow and anti-retroviral (ARV) drugs that halt the progression of HIV are now available across the region, 790,000 people died of AIDS-related causes in 2014. Sub-Saharan Africa accounts for 66% of the world's new HIV infections annually. Ensuring people can access affordable medicine and adhere to their ARV treatment leads to healthier and longer lives for those infected. Boosting the numbers attending voluntary HIV testing and counselling and spreading knowledge on how HIV is contracted, helps prevent infection rates rising.

Our partners' work enables:

- Full compliance with treatment regimes by providing assistance with transport;
- Access to medicine to treat HIV & AIDS-associated diseases such as tuberculosis for those unable to afford treatment;
- Family members caring for sick relatives to be educated in effective, inexpensive treatment;
- More people to get tested for HIV, and supporting HIV+ individuals with adequate nutrition;
- Provision of additional staff at existing treatment centres and creating specialist outreach services for poorly serviced communities.

In 2015, Egmont-funded projects enabled 11,833 people to benefit from improved treatment and care. Our partners also tested 11,079 people for HIV.

→ 5d. Safer Communities

Women account for nearly 60% of all adults living with HIV in sub-Saharan Africa, and 190,000 children were newly infected with HIV in 2014. Incidences of neglect, child labour, early marriage and sexual exploitation increase the chances of both children and young women contracting the disease. Egmont partners educate communities about the rights of children and women, to create fairer and safer communities. They also work to reduce incidences of violence through a combination of education, group therapy and increased access to justice and legal advice.

Our partners' work enables:

- Victims of sexual violence and child abuse to access legal recourse and protection;
- Reduction of child labour cases, enabling children to attend school;
- Prevention of early marriages, allowing young girls to live the lives they wish to pursue;
- Reduction in incidences of female genital mutilation;
- Victims of sexual violence to access psychological support through counselling and support groups.

In 2015, Egmont partners addressed 4,453 cases of child abuse. In addition, 2,586 cases of violence against women were taken up by Egmont partners during this period.



The Egmont Trust

Report of the Trustees



6. Fundraising

Fundraising at Egmont continues to be driven by the Trustees, with support from the Head of Fundraising & Communications and the Fundraising & Communications Officer. The Fundraising Committee meets at least six times a year to drive the strategy forwards. A large proportion of our funding is derived from a small number of committed individuals who give their full backing to Egmont's ethos and approach. Our corporate partners also provide valuable support. We maintain a close relationship with all of our supporters through providing regular and in depth communications describing the work their funds are facilitating. Donors also have the opportunity to meet our partners in person at Egmont's Annual Awards where representatives of two of our partners visit the UK to receive awards for their work over the past year. Trustees and Patrons fund the charity's operating costs in their entirety, and so our supporters know that all of their funding goes directly to the projects in Africa.

Fundraising highlights in 2015 included:

- In March, Egmont was delighted to be selected as one of Redburn's charities of the year. Redburn chose to direct funding to the work of Life Concern Organisation in Malawi, who are helping to prevent the transmission of HIV from mothers to their newborn babies in Rumphi District;
- In November, we hosted our second Fundraising Dinner & Auction, celebrating our 10th anniversary year, which raised over £250,000;
- During the course of the year, a number of our close circle of supporters chose to significantly increase their support to Egmont.

As a result, the year saw a 51% increase in income to £1,623,679, compared with £834,351 in 2014. In addition to this, £97,550 was sent directly by an Egmont supporter to fund five Egmont-approved and monitored projects in Kenya, bringing the total funds raised in 2015 to £1,721,229.

We remain enormously grateful to all of our supporters and Patrons who so generously fund Egmont's work.

7. Plans for the future

This rise in income levels will enable Egmont to increase the number of partners supported and also offer different levels of support. We expect the numbers of partners to reach over 50 by the end of 2016 and we will further develop our partner identification processes, due diligence and proposal assessment systems to achieve this. Egmont will continue to maintain a slim staff team in Cardiff throughout this period of growth.

Over the last 10 years, Egmont has encouraged partners to learn directly from others running similar projects. We are now scaling this up to support partners to evaluate the impact of each other's work and arrange meetings where they can exchange experiences directly. This will supplement our progress reporting system and regular visits which also contribute to the overall accountability framework. These parallel systems are the key elements in dealing with risk issues at the partner level.



The Egmont Trust

Report of the Trustees

8. Financial Review

→ 8a. Income

As stated in the Fundraising section, income in 2015 increased by 51% on the previous year to £1,623,679. In addition, £97,550 third party direct funding was secured, bringing the total funds raised to £1,721,229.

The majority of funding, £1,016,608, was raised in the last 2 months of 2015 resulting in unrestricted reserves at the year-end of £1,097,168. In line with our Reserves Policy (see Section 8e), a strategy has been put in place to significantly increase the number of grants made throughout 2016 (see Section 7 above).

Egmont continues to maximise its income through the Government's Gift Aid scheme, although Gift Aid income fell in 2015 owing to the nature of the donations received.

→ 8b. Expenditure

Grants made in 2015 totalled £409,648 (this figure increases to £507,198 when including third party direct funding of £97,550 to five Kenyan partners). This was slightly higher than 2014. 4 long standing partners did not receive repeat funding in 2015 as we did not find their new project proposals sufficiently robust. Revised proposals from all 4 will be considered in early 2016.

Resources expended on operational costs are covered in their entirety by Egmont's Trustees and Patrons. These amounted to £254,832 in 2015, 14.8% of total funds raised - a significant reduction in Egmont's operational cost to annual income ratio.

The cost of hosting our very successful Fundraising Dinner and Auction in November 2015 amounted to £44,476. Legal fees of £6,000 were also incurred for setting up 501(c)3 status in the US and this process is ongoing. Our intention is for this to generate additional income from a new donor base in due course.

Restricted reserves of £179,375 were being held at the end of the year for operational costs in 2016 in line with Egmont's reserves policy, and from donations made in 2015 by Trustees and Patrons of Egmont.

All other restricted fund balances, amounting to £49,706 are earmarked for specific projects taking place in 2016, as agreed with the donor.

→ 8c. Foreign Exchange Policy

Egmont will hold a variety of currency accounts to maximise the donations received. As Egmont's base currency is GBP and grants are made in GBP, any donations received in other currencies should be converted to GBP at the prevailing rate and as soon as possible after receipt. The Finance & Governance committee will make recommendations on conversion processes which will be implemented by the Finance Manager. The Finance Manager may seek approval from the Finance & Governance committee to defer the sale of any currency balances held.



The Egmont Trust

Report of the Trustees

→ 8d. Investment Policy

The Trustees have the power to invest in such assets as they see fit. The charity operates two interest-bearing current accounts and a short-term deposit account for a better return on funds not immediately needed.

→ 8e. Reserves Policy

No grant commitments are made beyond the level of funds already received in the project fund. Egmont's aim is to commit unrestricted funds available to partners by the end of the second financial year following receipt of funds. Should the level of reserves exceed the total of disbursements made over the previous 2 years, then grant making will be accelerated.

The operational costs fund should hold at 1st January the equivalent of 50% of budgeted costs for that year. The Trustees plan on the basis that Patrons & Trustees will contribute a sum equivalent to 100% of budgeted costs, which means that the operational fund at the year end is left with a surplus equivalent to 50% of the year's costs.

Egmont will endeavour to raise sufficient unrestricted project funding in any one year to fund both planned and forecasted grant making in the following year.

→ 8f. Grant Making Policy

Egmont provides direct grants to partners working on projects in Kenya, Malawi, Mozambique, Tanzania, Zambia and Zimbabwe. Egmont may occasionally choose to award grants to organisations based elsewhere if we believe that the proposed project demonstrates innovation and/or added value for HIV & AIDS-affected children and families in the six core countries.

We look for projects that can achieve a visible and defined result, and organisations need to show clearly what this will be and how it will be achieved. Successful proposals may address any aspect of HIV & AIDS response; they should be innovative and/or able to be scaled up or replicated; they need to show a positive impact on the lives of defined groups of people who are poor and vulnerable, particularly children and young people; and they need to produce results within a specified timeframe.



The Egmont Trust

Report of the Trustees



9. Governance & Management

→ 9a. Appointment of Trustees

The Trust Deed allows for a minimum of three Trustees to be appointed, with new Trustees appointed for an initial term of three years and eligible for re-election for a further three years. New Trustees are proposed by the Finance & Governance Committee for approval by the full Board of Trustees. Trustees are to declare that they are fit and proper to serve as a Trustee and on an annual basis thereafter.

→ 9b. Trustee Induction

New Trustees receive a formal induction, where they become familiar with the Egmont approach, how we work with our partners, and what is expected from them as a Trustee in terms both of governance and raising funds for the organisation.

→ 9c. Trustee-led Sub-Committees

The Trustee-led sub-committees are as follows:

- The Fundraising Committee is responsible for fundraising strategy, targets and co-ordination, organising fundraising events and producing supporter communications. This committee meets frequently, usually once a month.
- The Programme Committee manages the programme strategy i.e. the assessment and selection of grant recipients, and the monitoring of project performance. It meets regularly, with the frequency determined by the need for interaction with our partners.
- The Finance & Governance Committee deals with the annual budget and accounts, compliance with statutory requirements and governance matters, terms and conditions for staff, and monitors the remuneration of key personnel alongside appropriate benchmark organisations. It meets as and when required.
- The minutes of all the sub-committees are made available to the full Board of Trustees which meets up to 4 times per annum to ratify decisions and discuss strategy.

→ 9d. Conflicts of Interest

Potential conflicts of interest for staff or Trustees must be declared at each meeting and are managed as appropriate to the circumstances. Applications for Egmont grants often arise from within our local networks of contacts in Africa. However, all proposals for funding must be vetted and approved by the 4-member Programme Committee and signed off by the full Board of Trustees.


→ 9e. Risk Management

The Trustees have identified potential risks to the work of the Trust and put in place systems and procedures to manage these. Risks include financial exposure, personal health and security of staff, programming risks and changes to the



The Egmont Trust

Report of the Trustees



socio-political environment where we and our partners operate. We take care to minimise the potential impact of the risks in each of these areas and review them on a regular basis. Egmont has strong local contacts in each country and we are guided by their advice. Our disbursement, monitoring and reporting systems also contribute to minimising risk. They are sufficiently flexible to enable partners to make appropriate adjustments to external factors, such as exchange rate fluctuations, without undermining the basic objectives or integrity of their projects. We aim to learn and adjust our systems and procedures as necessary.

In 2015 we introduced an information security policy for donations taken by card in person at fundraising events and over the telephone.

→ 9f. Statement of Public Benefit

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives, planning future activities and setting the grant-making policy for the year.

Egmont's supported work demonstrates public benefit in the following ways:

- Addressing the needs of some of the world's most disadvantaged children and their communities through access to HIV & AIDS treatment, and through the provision of good nutrition, poverty alleviation, education and counselling, agricultural and vocational training, and safer environments.
- Enabling local partner organisations to work together to share information, experiences and expertise, and improve their services.



The Egmont Trust

Report of the Trustees

Appendix 1: List of partners supported in 2015

Country	Partner	Focus of project	Third-party funding in 2015 (£)	Total approved 2015 (£)	Total committed since 2005 (£)
Kenya	Ace Africa Kenya (ACE-KEN)	Increases children's access to nutritious food, medication, child rights, psychosocial support and HIV prevention	21,550	21,550*	193,250 ‡
Kenya	Girl Child Counselling Women Group (GCCWG)	Provides vocational training to mothers and young women at risk of HIV infection, helping them to establish an income stream	10,000	10,000*	10,000 *
Kenya	Kenya Poverty Elimination Network (KPEN)	Improves elderly caregivers' ability to care for orphans by providing training in beekeeping, goat-rearing and psychosocial support	22,000	22,000*	203,488 ‡
Kenya	Trust for Indigenous Culture and Health (TICAH)	Disseminates health information and encourages self-motivated community responses to problems linked to HIV and poverty in urban slum households	22,000	22,000*	187,182 ‡
Kenya	Vijana Amani Pamoja (VAP)	Supports youth to change their behaviours, with the goal of reducing the HIV infection rate and empowering more girls to lead safe, healthy lives through the medium of football	22,000	23,100*	131,776 ‡
Malawi	HIV/AIDS at Workplace Intervention Programme (HAWIP)	Promotes utilisation of good nutrition to HIV+ children and supports women caregivers to improve their economic status through community support groups		22,000	158,721
Malawi	The Dalitso Trust	Provides rural communities with training in holistic health, parenting skills and small-scale infrastructure improvements such as latrines and handwashing facilities		7,652	7,652
Malawi	Life Concern (LICO)	Increases access and uptake of Prevention of Mother To Child HIV Transmission services amongst women in rural areas and monitors children born from HIV+ mothers for a period of two years		22,438	66,214
Malawi	The MicroLoan Foundation Malawi (MLF)	Provides microfinance and training to impoverished women, helping them to develop sustainable businesses		22,000	88,000
Malawi	Mzuzu Academy (MZUZU)	Supports highly vulnerable children who possess exceptional academic ability while monitoring their health and well-being		22,000	132,225

The Egmont Trust

Report of the Trustees

Malawi	National Smallholder Farmers Association (NASFAM)	Enhances community resilience through functional literacy, integrated with crop diversification and livestock production for smallholder farmers	1,100	152,864
Mozambique	A Little Gesture (ALG)	Provides education for impoverished and malnourished children infected with HIV/AIDS, on a day-care basis, ensuring adequate nutrition, medication and medical assistance.	20,000	20,000
Mozambique	Meninos de Moçambique (MEN)	Provides medical, social and educational assistance to street children and youth, including reintegration with families when possible	22,000	194,000
Mozambique	Vukoxa (VUKO)	Improves community support, food security and basic services for older carers to raise the quality of life for vulnerable children	22,000	159,503
Tanzania	Ace Africa Tanzania (ACE-TANZ)	Strengthens community skills, structures and systems to improve access to child protection, HIV prevention, life skills and psychological support	21,892	172,770
Tanzania	Envirocare (ENV)	Provides income, healthy food and medicines for HIV-affected families through beekeeping; and the establishment of school vegetable gardens	-†	102,690
Tanzania	Forever Angels (FANGELS)	Provides families with babies at risk of malnourishment and starvation with nutritional support and business training	22,000	22,000
Tanzania	Kimara Peer Educators and Health Promoters Trust Fund (KIMAR)	Educational, nutritional and psychosocial support for children; microcredit and business training for carers	22,000	175,008
Zambia	Chipata District Farmers Association (CDFA)	Facilitates access to basic education and improved nutrition by increasing the income levels of guardians through establishment of piggeries and vegetable gardens	-†	152,788
Zambia	Mitengo Women Association (MITEN)	Promotes income-generating agricultural activities and microcredit of rural and semi-rural women groups through training and equipment	23,100	246,676
Zambia	Pride Community Health Club (PRIDE)	Provides HIV prevention, care and support services for children and adults, improving the health status of households infected and affected by HIV & AIDS	-†	136,020
Zambia	Kucetekela Foundation (KF)	Identifies academically gifted, disadvantaged children for scholarships and community service projects	22,000	131,020

The Egmont Trust

Report of the Trustees

Zambia	Vision of Hope Zambia (VOH)	Provides a protective environment for girls on the streets through education, shelter, life skills and healthcare	21,980	67,057
Zimbabwe	Chiedza (CHIEDZA)	Provides displaced former farm labourers and their families with training in modern agricultural techniques, improving access to education	22,000	22,000
Zimbabwe	Hospice Association of Zimbabwe (HOSPAZ)	Supports 10-24 year olds living with or affected by life-limiting illnesses with home-based care and income-generating initiatives	23,100	172,811
Zimbabwe	Rafiki Girls Centre (RAF)	Empowers disadvantaged girls economically and socially through vocational and life skills training	23,100	180,742
Zimbabwe	Restless Development (RESTLESS)	Provides HIV prevention information and support to sexual abuse survivors and young women forced into sex work	22,000	152,199
Zimbabwe	Southern Africa Dialogue (SAODI)	Improves access to HIV treatment and provides alternative therapy through community health clubs to enhance patient recovery in urban households	23,086	38,632

* These figures include funding in 2015 which was secured by Egmont from a third party to the value of £97,550.

‡ These figures include funding secured in 2014 & 2015 by Egmont from a third party to a value of £185,144.

† Grant committed in 2014 to support a project running through 2015.



The Egmont Trust

Report of the Trustees



Statement of Trustee responsibilities

The Trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of Trustees on / / and signed on its behalf by:

.....
Jeremy Evans - Chairman - Trustee



The Egmont Trust

Report of the Independent Auditors to the Egmont Trust

Independent Auditors' Report to the Trustees of The Egmont Trust

We have audited the financial statements of The Egmont Trust for the year ended 31 December 2015 on pages five to thirteen. 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 charity's Trustees, as a body, in accordance with 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 charity's Trustees 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the financial statements which give a true and fair view. We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act. 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 Report of the Trustees 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.



The Egmont Trust

Report of the Independent Auditors to the Egmont Trust

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2015 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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Haines Watts Wales LLP, Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
7 Neptune Court
Vanguard Way
CARDIFF
CF24 5PJ

Date: / /



The Egmont Trust

Statement of Financial Activities for the Year Ended 31st December 2015

Statement of Financial Activities for the Year Ended 31 December 2015

		Unrestricted funds	Restricted funds	2015 Total funds	2014 Total funds
	Note	£	£	£	£
Incoming resources					
Income and endowments from					
Donations and legacies	2	905,430	446,610	1,352,040	811,644
Other trading activities	3	224,163	27,869	252,032	6,512
Investment income	4	1,486	18,121	19,607	16,195
Total		1,131,079	492,600	1,623,679	834,351
Resources expended					
Expenditure on					
Raising funds	5	44,476	-	44,476	-
Charitable activities					
Alleviation of the impact of HIV & AIDS	6	409,648	-	409,648	401,465
Grant Management		-	82,909	82,909	76,103
Fundraising & Publicity		-	82,534	82,534	74,801
Finance & Governance		-	60,639	60,639	52,817
Office & Data Management		-	28,850	28,850	30,309
Total		454,124	254,932	709,056	635,495
Net income		676,955	237,668	914,623	198,856
Transfers between funds	15	34,482	(34,482)	-	-
Net movement in funds		711,437	203,186	914,623	198,856
Reconciliation of funds					
Total funds brought forward		385,731	25,895	411,626	212,770
Total funds carried forward		1,097,168	229,081	1,326,249	411,626

Continuing operations

All income and expenditure has arisen from continuing operations.

The notes form part of these financial statements

The Egmont Trust

Statement of Financial Activities for the Year Ended 31st December 2015

Balance Sheet as at 31 December 2015

	Note	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Fixed assets					
Tangible assets	12	-	656	656	1,571
Current assets					
Debtors	13	8,678	23,383	32,061	59,787
Cash at bank and in hand		1,274,096	207,637	1,481,733	529,404
		1,282,774	231,020	1,513,794	589,191
Creditors					
Amounts falling due within one year	14	(185,606)	(2,595)	(188,201)	(179,136)
Net current assets					
		1,097,168	228,425	1,325,593	410,055
Total assets less current liabilities					
		1,097,168	229,081	1,326,249	411,626
Net assets					
		1,097,168	229,081	1,326,249	411,626
Funds					
Unrestricted funds	15			1,097,168	385,731
Restricted funds				229,081	25,895
Total funds				1,326,249	411,626

The financial statements were approved by the Board of Trustees on / / and were signed on its behalf by:

.....
Jeremy Evans - Chairman -Trustee

The notes form part of these financial statements



The Egmont Trust

Notes to the Financial Statements



Notes to the Financial Statements for the Year Ended 31 December 2015

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard for Smaller Entities (effective January 2015), and the Charities Act 2011. The financial statements have been prepared under the historical cost convention

Financial reporting standard 102 – reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Incoming resources

Donations are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

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



The Egmont Trust

Notes to the Financial Statements

Cost of generating funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of Trustee meetings and the cost of any legal advice to Trustees on governance or constitutional matters.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Computer equipment – 33% on cost

Individual fixed assets costing £300 or more are initially recorded at cost.

Taxation

The charity is exempt from tax on its charitable activities all of which are within its' stated primary purpose.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.



The Egmont Trust

Notes to the Financial Statements

2. Donations & legacies

	2015	2014
	£	£
Donations	1,315,419	730,127
Gift Aid	36,621	81,517
	<u>1,352,040</u>	<u>811,644</u>

3. Other trading activities

	2015	2014
	£	£
Fundraising events	<u>252,032</u>	<u>6,512</u>

4. Investment income

	2015	2014
	£	£
Interest received and foreign exchange gains	<u>19,607</u>	<u>16,195</u>

5. Raising funds

	2015	2014
	£	£
Raising donations and legacies		
Event costs	<u>44,476</u>	<u>-</u>

6. Charitable activities costs

	Grant funding of activities (See note 7)	Support costs (See note 8)	Totals
	£	£	£
Alleviation of the impact of HIV & AIDS	409,648	-	409,648
Grant Management	-	82,909	82,909
Fundraising & Publicity	-	82,534	82,534
Finance & Governance	-	60,639	60,639
Office & Data Management	-	28,850	28,850
	<u>409,648</u>	<u>254,932</u>	<u>664,580</u>

The Egmont Trust

Notes to the Financial Statements

7. Grants payable

	2015	2014
	£	£
Alleviation of the impact of HIV & AIDS	409,648	401,465
The total grants paid to institutions during the year was as follows:		
Kenya	1,100	1,100
Malawi	97,190	111,369
Mozambique	64,000	44,000
Tanzania	66,992	65,779
Zambia	67,080	135,220
Zimbabwe	113,286	43,997
	409,648	401,465

8. Support costs

	Management	Finance	Other	Governance costs	Totals
	£	£	£	£	£
Grant Management	82,909	-	-	-	82,909
Fundraising & Publicity	82,534	-	-	-	82,534
Finance & Governance	50,382	585	-	9,672	60,639
Office & Data Management	27,935	-	915	-	28,850
	243,760	585	915	9,672	254,932

9. Trustees' remuneration and benefits

Trustee's remuneration and benefits

There were no Trustees' remuneration or other benefits for the year ended 31st December 2015 nor for the year ended 31 December 2014.

Trustees' expenses

There were no Trustees' expenses paid for the year ended 31 December 2015 nor for the year ended 31 December 2014.



The Egmont Trust

Notes to the Financial Statements

10. Staff costs

	2015	2014
	£	£
Wages and salaries	156,588	145,100
Social security costs	13,707	10,250
Other pension costs	7,879	8,303
	<u>178,174</u>	<u>163,653</u>

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

	2015	2014
Charitable activities	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

11. Comparatives for the statement of financial activities

	Unrestricted funds – 2014	Restricted funds – 2014	Total funds – 2014
	£	£	£
Income and endowments from			
Donations and legacies	481,108	330,536	811,644
Other trading activities	6,512	-	6,512
Investment income	14,981	1,214	16,195
Total	<u>502,601</u>	<u>331,750</u>	<u>834,351</u>
Expenditure on charitable activities			
Alleviation of HIV & AIDS	401,240	225	401,465
Grant Management	-	76,103	76,103
Fundraising & Publicity	-	74,801	74,801
Finance & Governance	-	52,817	52,817
Office & Data Management	-	30,309	30,309
Total	<u>401,240</u>	<u>234,255</u>	<u>635,495</u>
Net income	<u>101,361</u>	<u>97,495</u>	<u>198,856</u>
Transfer between funds	<u>83,000</u>	<u>(83,000)</u>	<u>-</u>
Net movement in funds	<u>184,361</u>	<u>14,495</u>	<u>198,856</u>
Reconciliation of funds			
Total funds brought forward	<u>201,370</u>	<u>11,400</u>	<u>212,770</u>
Total funds carried forward	<u>385,731</u>	<u>25,895</u>	<u>411,626</u>

The Egmont Trust

Notes to the Financial Statements

12. Tangible fixed assets

	Computer equipment
	£
Cost	
At 1 January 2015	4,858
Disposals	(764)
At 31 December 2015	<u>4,094</u>
Depreciation	
At 1 January 2015	3,287
Charge for the year	915
Eliminated on disposal	(764)
At 31 December 2015	<u>3,438</u>
Net book value	
At 31 December 2015	<u>656</u>
At 31 December 2014	<u>1,571</u>

13. Debtors: amounts falling due within one year

	2015	2014
	£	£
Other debtors	<u>32,061</u>	<u>59,787</u>

The Egmont Trust

Notes to the Financial Statements

15. Movement in funds

	At 01.01.15	Net movement in funds	Transfers between funds	At 31.12.15
	£	£	£	£
Unrestricted funds				
General fund	385,731	634,261	68,256	1,088,248
Designated – Events Income Generation	-	11,774	(11,774)	-
Designated – Littlefield Foundation In Memory of Ratan Engineer	-	9,929	(9,929)	-
Designated – Ratan Engineer Memorial Fund	-	20,991	(12,071)	8,920
	385,731	676,955	34,482	1,097,168
Restricted funds				
Operational costs	25,895	92,544	60,936	179,375
Treebeard Trust	-	15,000	-	15,000
Waterloo Foundation	-	68,000	(51,000)	17,000
Redburn – Charity of the Year	-	28,500	(22,438)	6,062
VoH – 2015 Fundraising	-	33,624	(21,980)	11,644
	25,895	237,668	(34,482)	229,081
Total funds	411,626	914,623	-	1,326,249

The Egmont Trust

Notes to the Financial Statements

15. Movement in funds - Continued

Net movement in funds, included in the above, are as follows:	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,043,909	(409,648)	634,261
Designated – Events Income Generation	56,250	(44,476)	11,774
Designated – Littlefield Foundation in Memory of Ratan Engineer	9,929	-	9,929
Designated – Ratan Engineer Memorial Fund	20,991	-	20,991
	<u>1,131,079</u>	<u>(454,124)</u>	<u>676,955</u>
Restricted funds			
Operational costs	347,476	(254,932)	92,544
Treebeard Trust	15,000	-	15,000
Waterloo Foundation	68,000	-	68,000
Redburn – Charity of the Year	28,500	-	28,500
VoH – 2015 Fundraising	33,624	-	33,624
	<u>492,600</u>	<u>(254,932)</u>	<u>237,668</u>
Total funds	<u>1,623,679</u>	<u>(709,056)</u>	<u>914,623</u>

VoH 2015 fundraising – The Vision of Hope (VoH) fund was set up following multiple donations received at two charity events, held in 2015, specifically for a partner in Zambia.

Littlefield Foundation – A donation received in the memory of Ratan Engineer, to be re-granted in 2015 at the discretion of the Trustees. The partner selected to receive these funds was HAWIP in Malawi.

Ratan Engineering Memorial Fund – Multiple donations received in memory of Ratan Engineer and earmarked by Trustees to support Egmont partner HAWIP in Malawi, 2015 through 2016.

Redburn – Charity of the Year – Egmont was chosen by Redburn (Europe) Ltd as Charity of the Year 2015-2016 and agreed to fund partner Life Concern (LICO) in Malawi.

Events income generation – The Events fund was used during the year to monitor ticket sales against event costs for the fundraising Dinner and Auction held in November 2015, with net proceeds being transferred to the General Fund.

Transfers between funds

The Charity reports all grants paid during the year through its unrestricted charitable activities. As such a total of £96,482 has been transferred from restricted funds during the year to reflect the payments of grants as required by funding providers.

The Egmont Trust

Notes to the Financial Statements

16. Related party disclosures

During the year the charity made a grant payment of £22,000 (2014: £22,225) to Malawi Mzuzu Academy. Mr C Williams, an employee of the charity, is a Trustee of Malawi Mzuzu Academy.

During the year the charity made a grant payment of £22,000 to Restless Development. Restless Development is a client of Mr J Macmillan in his other business interests.

17. Analysis of funds

The Operation Costs fund is provided to cover the operating costs of the Charity, thus ensuring that all other income raised can be utilised on primary charitable activities.

The Treebeard Trust fund is to be used to support Egmont partner, SAODI, in Zimbabwe in 2016.

The restricted fund (Waterloo Foundation) was set up to receive funds specifically for the continued support of 4 partner organisations whose projects were funded by Waterloo through 2015. Due to the timing of the grant disbursements and donation receipt, the grants were initially made from the General Fund to ensure continuity in funding.

18. First year adoption

These financial statements include the transitional adjustments on adoption of Charities SORP (FRS102) Financial Reporting Standard for Smaller Entities. Following these adjustments total income, total expenditure, net movement in funds and total funds carried forward have remained unchanged.

In accordance with the new standard, Governance costs totalling £9,673 for the year ended 31 December 2015 have been included within Charitable activity expenditure. Prior to this statement total Governance costs for the comparative year were £2,811 and expenditure on charitable activities totalled £632,684.

Transitional relief

The Charity has not been required to take advantage of any specific transitional relief on adoption of Charities SORP (FRS102)



The Egmont Trust

Detailed Statement of Financial Activities for the Year Ended 31st December 2015

Income & Endowments

2015

2014

£

£

Donations & legacies

Donations

1,315,419

730,127

Gift Aid

36,621

81,517

1,352,040

811,644

Other trading activities

Fundraising events

252,032

6,512

Investment income

Interest received and foreign exchange gains

19,607

16,195

Total incoming resources

1,623,679

834,351

Expenditure

2015

2014

£

£

Raising donations & legacies

Event costs

44,476

-

Charitable Activities

Grants to institutions


409,648

401,465

This page does not form part of the statutory financial statements

The Egmont Trust

Detailed Statement of Financial Activities for the Year Ended 31st December 2015



	2015	2014
	£	£
Support costs		
Management		
Wages	156,588	145,100
Social security	13,707	10,250
Pensions	7,879	8,303
Office costs	24,087	22,362
Travel	17,240	13,345
Fundraising	24,259	30,601
	<hr/>	<hr/>
	243,760	229,961
Finance		
Bank charges	585	390
Other		
Computer equipment	915	868
Governance costs		
Accountancy	2,849	2,009
Legal fees	6,823	802
	<hr/>	<hr/>
	9,672	2,811
Total resources expended	<hr/>	<hr/>
	709,056	635,495
Net income	<hr/>	<hr/>
	914,923	198,856
	<hr/> <hr/>	<hr/> <hr/>

This page does not form part of the statutory financial statements

