



The Egmont Trust

Audited Financial Statements
for the Year Ended 31 December 2017

Registered charity number: 1108199

The Egmont Trust

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Report of the Independent Auditors to the Trustees of The Egmont Trust

Opinion

We have audited the financial statements of The Egmont Trust (the 'charity') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Trustees of The Egmont Trust

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 Report of the Trustees 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.

Responsibilities of trustees

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

The Egmont Trust

Statement of Financial Activities
for the Year Ended 31 December 2017

	Not es	Unrestricted funds £	Restricted funds £	Total 2017 funds £	Total 2016 funds £
Income and endowments from					
Donations and legacies	2	1,047,609	445,452	1,493,061	1,237,220
Other trading activities	3	-	-	-	25,295
Investment income	4	351	-	351	83,296
Total		1,047,960	445,452	1,493,412	1,345,811
Expenditure on					
Charitable activities	5				
Alleviation of HIV & AIDS		816,509	118,296	934,805	698,649
Grant Management		-	145,025	145,025	126,832
Fundraising & Publicity		-	97,996	97,996	81,796
Finance & Governance		-	50,182	50,182	47,332
Office & Data Management		-	47,423	47,423	42,786
Other		-	8,265	8,265	-
Foreign Currency		-	37,890	37,890	-
Total		816,509	505,077	1,321,586	997,395
Net income/(expenditure)		231,451	(59,625)	171,826	348,416
Reconciliation of funds					
Total funds brought forward		1,346,516	328,149	1,674,665	1,326,249
Total funds carried forward		<u>1,577,967</u>	<u>268,524</u>	<u>1,846,491</u>	<u>1,674,665</u>

Continuing operations

All income and expenditure has arisen from continuing activities.

The Egmont Trust

**Balance Sheet
At 31 December 2017**

		Unrestricted funds	Restricted funds	Total	2017 funds	Total	2016 funds
	Notes	£	£	£	£	£	£
Fixed assets							
Tangible assets	10	5,465	-	5,465			619
Current assets							
Debtors	11	493,641	268,524	762,165			31,035
Cash at bank and in hand		<u>1,558,494</u>	<u>-</u>	<u>1,558,494</u>			<u>1,889,439</u>
		2,052,135	268,524	2,320,659			1,920,474
Creditors							
Amounts falling due within one year	12	(479,633)	-	(479,633)			(246,428)
		<u>1,572,502</u>	<u>268,524</u>	<u>1,841,026</u>			<u>1,674,046</u>
Net current assets							
		<u>1,577,967</u>	<u>268,524</u>	<u>1,846,491</u>			<u>1,674,665</u>
Total assets less current liabilities							
		<u>1,577,967</u>	<u>268,524</u>	<u>1,846,491</u>			<u>1,674,665</u>
Net assets							
		<u>1,577,967</u>	<u>268,524</u>	<u>1,846,491</u>			<u>1,674,665</u>
Funds							
Unrestricted funds	13			1,577,967			1,346,516
Restricted funds				<u>268,524</u>			<u>328,149</u>
Total funds				<u>1,846,491</u>			<u>1,674,665</u>

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

Jeremy Evans
Chairman -Trustee

The Egmont Trust

Cash Flow Statement
for the Year Ended 31 December 2017

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	(287,701)	325,181
Finance costs		<u>(37,890)</u>	<u>-</u>
Net cash provided by (used in) operating activities		<u>(325,591)</u>	<u>325,181</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(5,705)	(771)
Interest received		<u>351</u>	<u>83,296</u>
Net cash provided by (used in) investing activities		<u>(5,354)</u>	<u>82,525</u>
Change in cash and cash equivalents in the reporting period		<u>(330,945)</u>	<u>407,706</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,889,439</u>	<u>1,481,733</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,558,494</u></u>	<u><u>1,889,439</u></u>

The notes form part of these financial statements

The Egmont Trust

Notes to the Cash Flow Statement
for the Year Ended 31 December 2017

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities	2017	2016
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	171,826	348,416
Adjustments for:		
Depreciation charges	859	808
Interest received	(351)	(83,296)
Finance costs	37,890	-
(Increase)/decrease in debtors	(731,131)	1,026
Increase in creditors	<u>233,206</u>	<u>58,227</u>
Net cash provided by (used in) operating activities	<u>(287,701)</u>	<u>325,181</u>

The Egmont Trust

Notes to the Financial Statements for the Year Ended 31 December 2017

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.

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.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Single or multi-year grants are accounted for when 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 the grant and any condition attaching to the grant is outside the control of the Trust.

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 £1,500 (2016 - £1,000) 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.

The Egmont Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2017

1. Accounting policies - continued

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

2. Donations and legacies

	2017	2016
	£	£
Donations	1,476,559	1,232,157
Gift aid	<u>16,502</u>	<u>5,063</u>
	<u>1,493,061</u>	<u>1,237,220</u>

3. Other trading activities

	2017	2016
	£	£
Fundraising events	<u>-</u>	<u>25,295</u>

4. Investment income

	2017	2016
	£	£
Interest received and foreign exchange gains	<u>351</u>	<u>83,296</u>

The Egmont Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

5. Charitable activities costs

	Direct costs	Grant funding of activities (See note 6)	Support costs (See note 7)	Totals
	£	£	£	£
Alleviation of HIV & AIDS	-	934,805	-	934,805
Grant Management	8,264	-	136,761	145,025
Fundraising & Publicity	-	-	97,996	97,996
Finance & Governance	-	-	50,182	50,182
Office & Data Management	-	-	47,423	47,423
Other	-	-	8,265	8,265
Foreign Currency	-	-	37,890	37,890
	<u>8,264</u>	<u>934,805</u>	<u>378,517</u>	<u>1,321,586</u>

6. Grants payable

	2017	2016
	£	£
Alleviation of HIV & AIDS	<u>934,805</u>	<u>698,433</u>

The total grants paid to institutions during the year was as follows:

	2017	2016
	£	£
Kenya	59,362	40,215
Malawi	227,992	163,569
Mozambique	98,490	100,000
Tanzania	93,026	69,944
Zambia	157,189	69,560
Zimbabwe	<u>298,746</u>	<u>255,145</u>
	<u>934,805</u>	<u>698,433</u>

7. Support costs

	Management	Finance	Other	Governance costs	Totals
	£	£	£	£	£
Alleviation of HIV & AIDS	(6,365)	630	-	5,735	-
Grant Management	136,761	-	-	-	136,761
Fundraising & Publicity	90,607	-	-	7,389	97,996
Finance & Governance	50,182	-	-	-	50,182
Office & Data Management	46,564	-	859	-	47,423
Other	8,265	-	-	-	8,265
Foreign Currency	-	<u>37,890</u>	-	-	<u>37,890</u>
	<u>326,014</u>	<u>38,520</u>	<u>859</u>	<u>13,124</u>	<u>378,517</u>

The Egmont Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

8. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2017 nor for the year ended 31 December 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2017 nor for the year ended 31 December 2016.

9. Staff costs

	2017	2016
	£	£
Wages and salaries	213,003	196,674
Social security costs	14,045	13,836
Other pension costs	<u>4,209</u>	<u>4,073</u>
	<u><u>231,257</u></u>	<u><u>214,583</u></u>

The average monthly number of employees during the year was as follows:

	2017	2016
Charitable activities	<u><u>6</u></u>	<u><u>6</u></u>

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

10. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2017	4,865
Additions	<u>5,705</u>
At 31 December 2017	<u>10,570</u>
Depreciation	
At 1 January 2017	4,246
Charge for year	<u>859</u>
At 31 December 2017	<u>5,105</u>
Net book value	
At 31 December 2017	<u><u>5,465</u></u>
At 31 December 2016	<u><u>619</u></u>

11. Debtors: amounts falling due within one year

	2017	2016
	£	£
Other debtors	<u><u>762,165</u></u>	<u><u>31,035</u></u>

The Egmont Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

12. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	471,698	239,870
Other creditors	7,935	6,558
	<u>479,633</u>	<u>246,428</u>

13. Movement in funds

	At 1.1.17	Net movement in funds	At 31.12.17
	£	£	£
Unrestricted funds			
General fund	1,346,516	231,451	1,577,967
Restricted funds			
Operational costs	188,753	(2,205)	186,548
Treebeard Trust	15,000	-	15,000
VoH - 2015 Fundraising	11,706	(11,706)	-
Peer Partner Activities	30,786	(7,824)	22,962
Foreign currency translation	81,904	(37,890)	44,014
	<u>328,149</u>	<u>(59,625)</u>	<u>268,524</u>
TOTAL FUNDS	<u>1,674,665</u>	<u>171,826</u>	<u>1,846,491</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,047,960	(816,509)	231,451
Restricted funds			
Operational costs	338,852	(341,057)	(2,205)
Treebeard Trust	15,000	(15,000)	-
Waterloo Foundation	65,000	(65,000)	-
VoH - 2015 Fundraising	-	(11,706)	(11,706)
Project specific grants	26,600	(26,600)	-
Foreign currency translation	-	(37,890)	(37,890)
Peer Partner Activities	-	(7,824)	(7,824)
	<u>445,452</u>	<u>(505,077)</u>	<u>(59,625)</u>
TOTAL FUNDS	<u>1,493,412</u>	<u>(1,321,586)</u>	<u>171,826</u>

The Egmont Trust

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

13. Movement in funds - continued

Comparatives for movement in funds

	At 1.1.16 £	Net movement in funds £	At 31.12.16 £
Unrestricted Funds			
General fund	1,088,248	199,843	1,346,516
Designated - Ratan Engineer Memorial Fund	<u>8,920</u>	<u>1,237</u>	<u>-</u>
	1,097,168	201,080	1,346,516
Restricted Funds			
Operational costs	179,375	9,378	188,753
Meninos fund	-	10,000	-
Treebeard Trust	15,000	15,000	15,000
Waterloo Foundation	17,000	-	-
Redburn - Charity of the Year	6,062	9,000	-
VoH - 2015 Fundraising	11,644	62	11,706
Peer Partner Activities	-	(214)	30,786
Project specific grants	-	22,206	-
Foreign currency translation	<u>-</u>	<u>81,904</u>	<u>81,904</u>
	229,081	147,336	328,149
	<u>1,326,249</u>	<u>348,416</u>	<u>1,674,665</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	898,276	(698,433)	199,843
Designated - Ratan Engineer Memorial Fund	<u>1,237</u>	<u>-</u>	<u>1,237</u>
	899,513	(698,433)	201,080
Restricted funds			
Operational costs	308,126	(298,748)	9,378
Meninos fund	10,000	-	10,000
Treebeard Trust	15,000	-	15,000
Redburn - Charity of the Year	9,000	-	9,000
VoH - 2015 Fundraising	62	-	62
Project specific grants	22,206	-	22,206
Foreign currency translation	81,904	-	81,904
Peer Partner Activities	<u>-</u>	<u>(214)</u>	<u>(214)</u>
	446,298	(298,962)	147,336
	<u>1,345,811</u>	<u>(997,395)</u>	<u>348,416</u>

The Egmont Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2017

13. Movement in funds - continued

The Operation Costs fund - provided by Trustees and Patrons 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 - to be used to support specific Egmont partner in 2018, yet to be decided.

The restricted fund (Waterloo Foundation) - set up to receive funds specifically for the support of 4 partner organisations focussed on education.

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.

Project Specific Grants Fund - set up to manage donations restricted to specific partner projects.

Foreign currency funds represents the gains or losses year on year upon translation of U.S dollar bank accounts or debtors in to the charities functional currency.

Peer Partner Activities - Costs associated with peer partner activities such as in-country partner meetings for shared learning, funded by Trustees and Patrons.

14. Related party disclosures

During the year the charity made a grant payment of £Nil (2016: £6,000) 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 £Nil (2016: £15,000) to Youth Advocates Zimbabwe. Ms N Gola, an employee of the charity, is a trustee of Youth Advocates Zimbabwe.

The Egmont Trust

Detailed Statement of Financial Activities
for the Year Ended 31 December 2017

	2017 £	2016 £
Income and endowments		
Donations and legacies		
Donations	1,476,559	1,232,157
Gift aid	<u>16,502</u>	<u>5,063</u>
	1,493,061	1,237,220
Other trading activities		
Fundraising events	-	25,295
Investment income		
Interest received and foreign exchange gains	<u>351</u>	<u>83,296</u>
Total incoming resources	1,493,412	1,345,811
Expenditure		
Charitable activities		
Peer partner activities	8,264	216
Grants to institutions	<u>934,805</u>	<u>698,433</u>
	943,069	698,649
Support costs		
Management		
Wages	213,003	196,674
Social security	14,045	13,836
Pensions	4,209	4,073
Office costs	45,829	34,538
Travel	17,569	21,501
Fundraising	<u>31,359</u>	<u>23,182</u>
	326,014	293,804
Finance		
Bank charges	630	572
Foreign exchange losses	<u>37,890</u>	<u>-</u>
	38,520	572
Other		
Computer equipment	859	808
Governance costs		
Accountancy	3,500	3,000
Legal fees	<u>9,624</u>	<u>562</u>
	<u>13,124</u>	<u>3,562</u>
Total resources expended	1,321,586	997,395

This page does not form part of the statutory financial statements

The Egmont Trust

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2017**

	2017 £	2016 £
Net income	<u>171,826</u>	<u>348,416</u>

This page does not form part of the statutory financial statements