



The Egmont Trust

Audited Financial Statements

for the period from 19 November 2020 to 31 December 2021

Charity registration number: 1186451

Note: On 1st January 2021 all assets and liabilities of
The Egmont Trust (1108199), were transferred
to a new CIO (1186451)

The Egmont Trust

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The Egmont Trust

Independent Auditor's Report to the Members of The Egmont Trust

Opinion

We have audited the financial statements of The Egmont Trust (the 'charity') for the period from 19 November 2020 to 31 December 2021, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees 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 its 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 2021 and of its results for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditor's 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Independent Auditor's Report to the Members of The Egmont Trust

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Financial Statements .

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:

- 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 1), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 auditor's report.

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Independent Auditor's Report to the Members of The Egmont Trust

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

Mr Andrew Hill FCCA ACA DChA BFP (Senior Statutory Auditor)
For and on behalf of HSJ Audit Limited, Statutory Auditor

Severn House
Hazell Drive
Newport
NP10 8FY

The Egmont Trust

Statement of Financial Activities for the Period from 19 November 2020 to 31 December 2021

		Unrestricted funds £	Restricted funds £	Total 31 December 2021 £
	Note			
Income and Endowments from:				
Donations and legacies		3,047,536	627,561	3,675,097
Investment income	3	11	-	11
Total income		3,047,547	627,561	3,675,108
Expenditure on:				
Charitable activities		(1,170,409)	(352,744)	(1,523,153)
Total expenditure		(1,170,409)	(352,744)	(1,523,153)
Net movement in funds		1,877,138	274,817	2,151,955
Reconciliation of funds				
Total funds carried forward	14	1,877,138	274,817	2,151,955

All of the charity's activities derive from continuing operations during the above period.

The Egmont Trust
(Registration number: 1186451)
Balance Sheet as at 31 December 2021

	Note	31 December 2021 £
Current assets		
Debtors	11	1,146,276
Cash at bank and in hand		<u>1,563,349</u>
		2,709,625
Creditors: Amounts falling due within one year	12	<u>(557,670)</u>
Net assets		<u><u>2,151,955</u></u>
Funds of the charity:		
Restricted funds		274,817
Unrestricted income funds		
Unrestricted funds		<u>1,877,138</u>
Total funds	14	<u><u>2,151,955</u></u>

The financial statements on pages 4 to 16 were approved by the trustees, authorised for issue and signed on their behalf by:

Jeremy Evans
Trustee

The Egmont Trust

Cash Flow Statement for the Period from 19 November 2020 to 31 December 2021

	Note	31 December 2021 £
Cash flows from operating activities		
Net cash income		2,151,955
Adjustments to cash flows from non-cash items		
Investment income	3	<u>(11)</u>
		2,151,944
Working capital adjustments		
Increase in debtors	11	(1,146,276)
Increase in creditors	12	<u>557,670</u>
Net cash flows from operating activities		1,563,338
Cash flows from investing activities		
Interest receivable and similar income	3	<u>11</u>
Net increase in cash and cash equivalents		1,563,349
Cash and cash equivalents at 19 November		<u>-</u>
Cash and cash equivalents at 31 December		<u><u>1,563,349</u></u>

All of the cash flows are derived from acquisitions in the current financial period.

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Egmont Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

Charitable activities

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.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

Governance costs include costs of the preparation and audit of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if they do not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

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 Income from donations and legacies

	Unrestricted funds			Total
	Designated	General	Restricted funds	31 December
	£	£	£	2021
				£
Donations and legacies;				
Donations from individuals	46,946	1,027,543	396,578	1,471,067
Gift aid reclaimed	-	6,831	-	6,831
Grants;				
Donated from former entity - The Egmont Trust (1108199)	25,000	1,941,216	230,983	2,197,199
	<u>71,946</u>	<u>2,975,590</u>	<u>627,561</u>	<u>3,675,097</u>

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

3 Investment income

	Unrestricted funds	Total 31 December 2021
	General £	£
Interest receivable and similar income;		
Interest receivable on bank deposits	11	11
	<hr/>	<hr/>

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

4 Expenditure on charitable activities

	Activity undertaken directly £	Grant funding of activity £	Activity support costs £	Total 31 December 2021 £
Alleviation of the impact of HIV & Aids	2,198	1,168,211	-	1,170,409
Grant management	-	-	149,417	149,417
Fundraising & publicity	-	-	104,217	104,217
Finance & governance	-	-	56,063	56,063
Office & data management	-	-	57,347	57,347
Other	-	-	5,003	5,003
Foreign currency	-	-	(19,303)	(19,303)
	2,198	1,168,211	352,744	1,523,153

5 Analysis of support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Finance costs £	Administration costs £	Total 31 December 2021 £
Grant management	A	-	-	149,417	149,417
Fundraising & publicity	A	-	-	104,217	104,217
Finance & governance	A	6,029	-	50,034	56,063
Office & data management	A	-	-	57,347	57,347
Other	A	-	-	5,003	5,003
Foreign currency	A	-	(19,303)	-	(19,303)
		6,029	(19,303)	366,018	352,744

Basis of allocation

Reference	Method of allocation
A	Direct costs plus allocated central costs on a time spent basis
B	Egmont US and partner meetings

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

6 Grant-making

Analysis of grants

**Grants to
institutions
31 December
2021
£**

Analysis

Alleviation of the impact of HIV & Aids

1,168,211

The support costs associated with grant-making are £151,615.

Below are details of material grants made to institutions.

Name of institution	Activity	2021 £
Kenya	Alleviation of the impact of HIV & Aids	209,185
Malawi	Alleviation of the impact of HIV & Aids	321,000
Mozambique	Alleviation of the impact of HIV & Aids	107,995
Tanzania	Alleviation of the impact of HIV & Aids	81,307
Zambia	Alleviation of the impact of HIV & Aids	150,575
Zimbabwe	Alleviation of the impact of HIV & Aids	298,149
		<u>1,168,211</u>

7 Net incoming/outgoing resources

Net incoming/outgoing resources for the period include:

**31 December
2021
£**

Operating leases - other assets

14,296

Audit fees

3,726

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

9 Staff costs

The aggregate payroll costs were as follows:

	2021
	£
Staff costs during the period were:	
Wages and salaries	276,716
Social security costs	18,365
Pension costs	7,814
	<u>302,895</u>

The monthly average number of persons (including senior management team) employed by the charity during the period expressed as full time equivalents was as follows:

	31 December
	2021
	No
Charitable activities	<u>6</u>

5 of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the period

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Debtors

	31 December 2021 £
Prepayments	6,510
Other debtors	1,139,766
	<u>1,146,276</u>

12 Creditors: amounts falling due within one year

	31 December 2021 £
Trade creditors	549,437
Other creditors	8,233
	<u>557,670</u>

13 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	31 December 2021 £
Land and buildings	
Within one year	12,000
Between one and five years	22,000
	<u>34,000</u>

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Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

14 Funds

	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
Unrestricted funds				
<i>General</i>				
General fund	2,975,607	(1,096,266)	(2,203)	1,877,138
Peer Partner Activities	(6)	(2,197)	2,203	-
	2,975,601	(1,098,463)	-	1,877,138
<i>Designated</i>				
Treebeard Trust	50,000	(50,000)	-	-
US Foundation	21,946	(21,946)	-	-
	71,946	(71,946)	-	-
Total unrestricted funds	3,047,547	(1,170,409)	-	1,877,138
Restricted funds				
Operational costs	586,821	(367,044)	(5,003)	214,774
Egmont US	-	(5,003)	5,003	-
Foreign Currency Translation	40,740	19,303	-	60,043
	627,561	(352,744)	-	274,817
Total restricted funds	627,561	(352,744)	-	274,817
Total funds	3,675,108	(1,523,153)	-	2,151,955

The specific purposes for which the funds are to be applied are as follows:

The Operational 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 HIV/AIDS at Workplace Intervention Programme (HAWIP) and Pamuhacha HIV/AIDS Prevention Project.

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 the Trustees and Patrons.

US Foundation - used to support Child Protection Society (CPS).

The Egmont Trust

Notes to the Financial Statements for the Period from 19 November 2020 to 31 December 2021

15 Analysis of net assets between funds

	Unrestricted funds		Total funds
	General	Restricted funds	
	£	£	£
Current assets	2,434,808	274,817	2,709,625
Current liabilities	(557,670)	-	(557,670)
Total net assets	1,877,138	274,817	2,151,955

16 Analysis of net funds

	At 19 November 2020	Cash flow	At 31 December 2021
	£	£	£
Cash at bank and in hand	-	1,563,349	1,563,349
Net debt	-	1,563,349	1,563,349