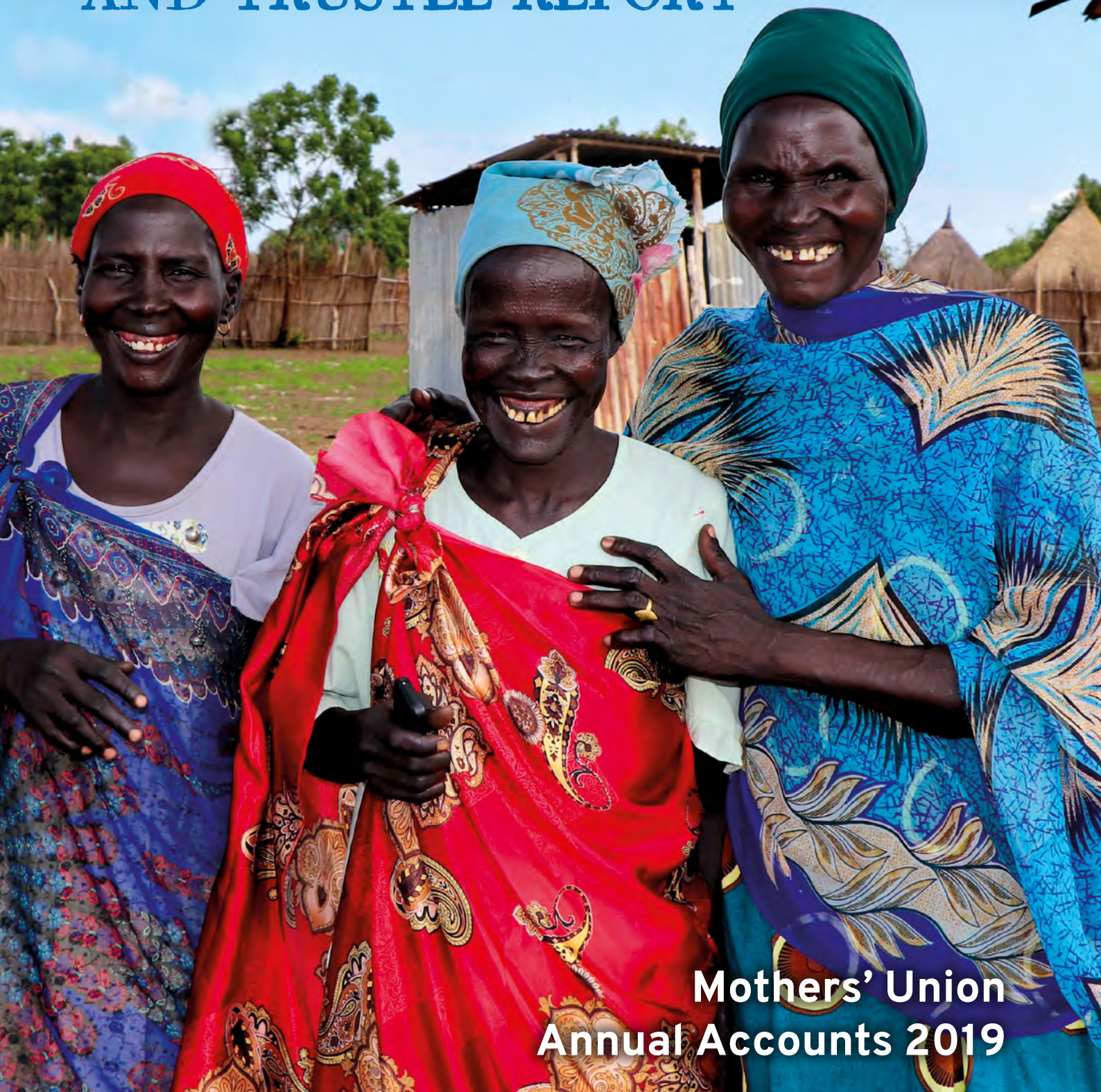


# 2019 ANNUAL ACCOUNTS AND TRUSTEE REPORT



**Mothers' Union**  
**Annual Accounts 2019**



## WHO WE ARE

Mothers' Union is a global, women-led Christian movement founded over 140 years ago by social activist, Mary Sumner, united in living out our faith with care and compassion.

We are 4 million members in 84 countries who help the world's hardest to reach to transform their lives.

Because we believe that when people come together locally to solve their own challenges, amazing things can happen.

Inspired by their faith, and supported by just a small professional team, our members work selflessly as volunteers in their own communities, making transformational work exceptionally cost-effective.

## OUR VALUES

Throughout our work, we are:

- non-judgemental
- loving and compassionate
- persevering
- bold

We work with people of all faiths and none, often reaching people who others cannot. Our door is always open. We welcome people from all walks of life and offer whatever help is needed, to whoever needs it, whenever it is needed.

## Her Majesty the Queen is our Royal Patron.

## CONTENTS

Who we are and Our Values	2
Vision, Mission and How we work	3
Introduction	4
Chief Executive Report	4
Our impact in 2019	6
Finance Review	15
Independent Auditor's Report to the Trustees of MU	20
Consolidated Statement of Financial Activities	22
Consolidated and Charity Balance Sheets	23
Consolidated Statement of Cash Flows	24
Notes to the Financial Statements	25
Trustees and References	43

**'It's like throwing a stone in the water and seeing the ripples. I've gone from feeling I can't do anything to realising that although my "stone" is small, it is creating ripples as I use my skills to help others.'**

Mothers' Union member  
Karen from Portsmouth



## VISION

Our vision is of a world where every individual can thrive, a goal we actively pursue through prayer and by helping to build confidence and resilience, challenging prejudice and advocating change.

## MISSION

We aim to show our Christian faith by helping the sustainable transformation of communities worldwide. We do this by helping to nurture strong relationships at all levels, between individuals and in communities, and promoting peace and reconciliation locally, nationally and globally.

## HOW WE WORK

Our members work in their local communities to support the vulnerable and marginalised. We work with people to help build their hope and confidence, solve their own problems and transform their own lives in lasting ways.

Our approach is led by understanding local need. We listen to and observe what is going on in our communities, and then we act alongside communities to help them overcome their challenges.

Our members aim to do God's work and bring about positive change, through practical support and advocacy. We partner with churches, leaders, other organisations and governments to help make the most difference.

We are helping build a future where everyone thrives. To achieve that, we strive to stop violence, injustice and hunger, and help people increase their self-reliance.



**'I see Mothers' Union doing so much in the UK and beyond for people who are most in need. You are wonderful servants of Jesus Christ, and I rejoice in your work.'**

**'The worse the crisis, the more the light of Mothers' Union shines. Your work is essential, and you have shown for many decades your capacity to adapt and evolve. May God be with you and encourage you to flourish.'**

The Most Revd. And Right Hon Lord  
Archbishop of Canterbury, Justin Welby







## INTRODUCTION

During this historic year, we ‘walked in the footsteps’ of our founder, Mary Sumner, and completed a two-year, global process of listening to God, the communities where we live, and over 200,000 fellow members. This process helped us to renew our purpose for the 21st century, while remaining inspired by Mary Sumner’s vision 140 years ago.

At the same time, we have continued to help people transform their lives around the world, nurture our global family of members, strengthen our governance, and reinforce our worldwide network of mutual support and learning.

During the Covid-19 pandemic, these foundations were built upon and these bonds, strengthened in 2019, are already helping our members, sustained by the Grace of God and the power of the Holy Spirit, to work together and with others to ensure that we ‘build back better’.

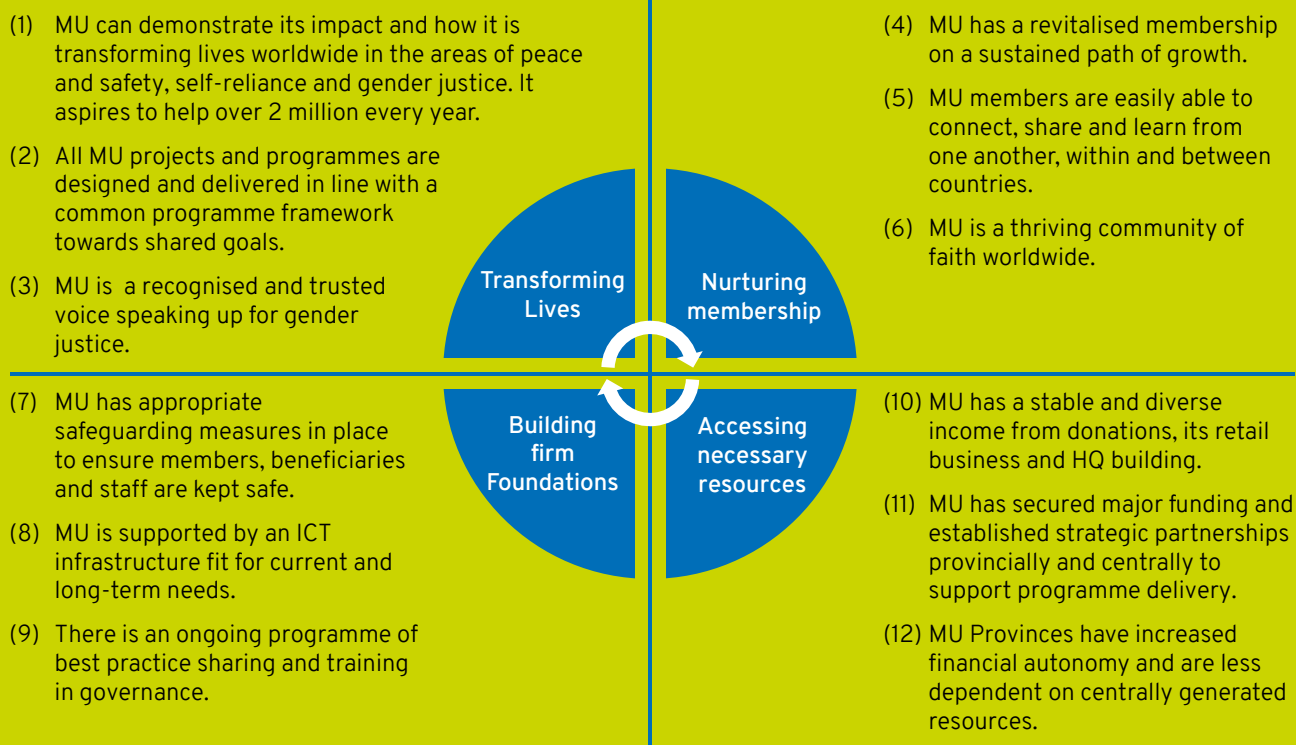
Sheran Harper  
Worldwide President

## CHIEF EXECUTIVE REPORT

In 2019, we approach the end of the strategic plan set by the Board in 2014, Vision 20:20, in which the movement aimed, by 2021, to:

- Be able to evidence having a positive impact on over 1 million lives each year worldwide.
- Be a global grassroots Christian movement with Faith at its core
- Have a global membership of over 6 million.
- Be a confident and trusted partner for the benefit of members and their communities.
- Be a successful and respected advocate, particularly on gender-based violence.
- Have a streamlined governance and organisational structure of volunteers and staff.
- Give highly cost-effective support to members in helping transform their communities worldwide.

I am pleased to report that, whilst the membership target looks ambitious, the Charity is making good progress in all other areas, focussing on deepening relationships



and building capacity and capability within the existing membership worldwide. Due in part to our improved ability to report on the work of members, over 1.1 million people were helped to improve their lives in 2019.

In June 2019, leaders from over 30 countries drew together the findings of our listening process, (Mothers Union listens, observes and acts – MULOA) and identified the common threads to create our 3 long-term goals. Based on this, and extensive discussion together on how the movement wanted to work together in future, the new strategic plan was developed and signed off by the Board in November 2019

This plan works towards a clear shift from a “hub and spoke” model of a central body connecting with countries separately, to an inter-connected, mutually supportive movement facilitated by a small central core team, all working towards delivering the 3 key outcomes of creating an environment that is peaceful and safe for all, where livelihoods are secure and where gender justice is a reality. Over time, the funding of the movement will also be less dependent on the core supporters within Britain and Ireland.

To deliver, outcomes have been determined in 4 key areas: transforming lives; nurturing membership; building firm foundations and accessing necessary resources:

From next year onwards, we will monitor activity against this plan, which is in 3 phases:

- Phase 1 (year 1): reviewing and consolidating systems, structures and processes.
- Phase 2 (years 2-3): embedding changes across the movement through capacity-building and improvements in learning and knowledge exchange.
- Phase 3 (Years 4-6): Continuing capacity building across the movement and realising the results of our transformation programmes in terms of financial sustainability, interconnectedness and social impact

The key priorities for year 1, 2020, are highlighted at the end of this report.

Bev Jullien  
CEO

## OUR IMPACT IN 2019



**1.1m people worldwide**

were helped to improve their lives in 2019



**2,490 people**

from the UK and Ireland enjoyed one of our Away From It All breaks, to support families under stress

**77,988 people**

are currently learning in our literacy circles in Burundi



**29,751 vulnerable people** received

a gift from us to meet an urgent need, such as clothing for a refugee or supplies for a new baby



**831** is the number of Saving groups we have in Rwanda with over £322,000 saved

Our work reached almost **8,000 prisoners**

and their families in Britain and Ireland in 2019, providing a listening ear, safe spaces and resources for families, and practical support

**80% of our 187 savings groups** in Tanzania with 3,900 members already give to their community or plan to do so

**11** the age of our youngest branch co-leader, 'Mini MU' in Liverpool

**15 members** of the Mothers' Union branch based in a Durham prison



## STOPPING VIOLENCE AND BUILDING PEACE

Mothers' Union members are helping to decrease gender-based violence around the world. This includes:

- tackling domestic violence and violence against children
- helping to protect people from harmful practices
- facilitating conflict resolution and healing from trauma

In 2019, 58% of our members felt that people they assisted benefited from less conflict in their family, home or community. 59% felt the people they supported experienced less violence or harmful practices towards women and children.

### Building peace & safety in South Sudan

**'Now, all the tribes are meeting. Women bring peace together. Peace is now there. Men see women are strong now. MULO [our Mothers' Union Listens, Observes and Acts approach] has taught us to come together and do good things in our community.'**

Adut, Twic East Diocese

South Sudan has experienced years of civil war and ethnic conflict, leading to around 400,000 deaths and over 4 million people fleeing to new areas or even neighbouring countries. This conflict and displacement has increased violence against women.

In South Sudan, women and girls are traditionally involved in collecting water and firewood, and growing food. Many are scared to do these essential tasks because of the risk of being attacked. Less cultivation means that some previously self-supporting communities now require food aid.

In February, we held a two-week workshop in Arua for 160 Mothers' Union leaders and community coordinators from across South Sudan. The event aimed to help these women build a peaceful future by facilitating healing, building reconciliation between conflicting tribes and strengthening their ministry.

Through group activities, Bible studies and sharing their experiences, workshop participants built relationships and devised community action plans to build peace and reduce gender-based violence.

Now, these plans are being put into action in churches and communities across South Sudan. To reinforce this, we will train 36 Mothers' Union leaders – three from each province – so they can pass on skills locally.

**'We briefed the Bishop and archdeacons about our time in Arua. We then put a plan together to help them with their challenges. We are really seeing the result. There is now some hope.'**

Tereza, Rejaf Diocese

### Case study:

#### Women peacekeepers in Kenya

In Sarah\*'s remote region of Kenya, seven main tribes – predominately nomadic – face daily challenges in accessing food and water, and regularly experience violent conflict over scarce resources. The government struggles to intervene.

Sarah and her fellow Mothers' Union members come from the different tribes and are striving to bring peace to their communities. They discuss important issues, build relationships between tribes and promote reconciliation. They act as mediators and help to diffuse tensions. Through Mothers' Union and the Church, these inspirational women are building peace and hope for the future.

\*Not her real name



## STOPPING GENDER INJUSTICE

Mothers' Union plays a unique role in helping to overcome gender injustice across the world. We work with women and men to understand the cultural practices and behaviours which are leading to injustice and recognise the benefits of change. We also empower women and girls, help them enhance their skills, and enable them to have more influence.

### Making women's voices heard at the UN

As well as working in communities, we represent women's concerns at the highest levels. In 2019, Mothers' Union staff and our All Ireland President June Butler MBE attended the latest UN Commission on the Status of Women in New York, to contribute to influential debates on women's empowerment and its links to sustainable development.

### Campaigning to end gender-based violence

Around the world, we work with other organisations and groups to increase our effectiveness. Each year, our members contribute to the international campaign

#### 16 Days of Activism against Gender-Based Violence.

In 2019, members in seven countries joined in this campaign, raising vital awareness of gender-based violence and our work to tackle this problem. In Barbados, our members marched for change. In the UK, dioceses such as Sheffield and Birmingham held vigils and ran information stands to raise awareness. We also work with others to lobby governments for change, for example, in 2019 we helped to influence the development of the Domestic Abuse Bill.

### Literacy and financial education

Challenges including discrimination, poverty, early marriage and gender-based violence mean that many women do not receive a full education. Even today, 132 million girls are missing out on school.

Poor literacy is one of the biggest hurdles women and girls face in escaping poverty and gender-based violence. Linked to low self-esteem and status, poor literacy means that women and girls in many countries are excluded from key decisions that affect their lives. For example, they may not have a say in how household income is spent or who should represent their community. This creates a vicious cycle that limits women's lives.

That is why we run literacy and financial education programmes for women and girls. These focus on building business skills and establishing community savings groups. This helps women to gain personal and financial independence, and the confidence to speak out. As women gain knowledge, income and status through these initiatives, men, and women both value women more, helping to improve equality.

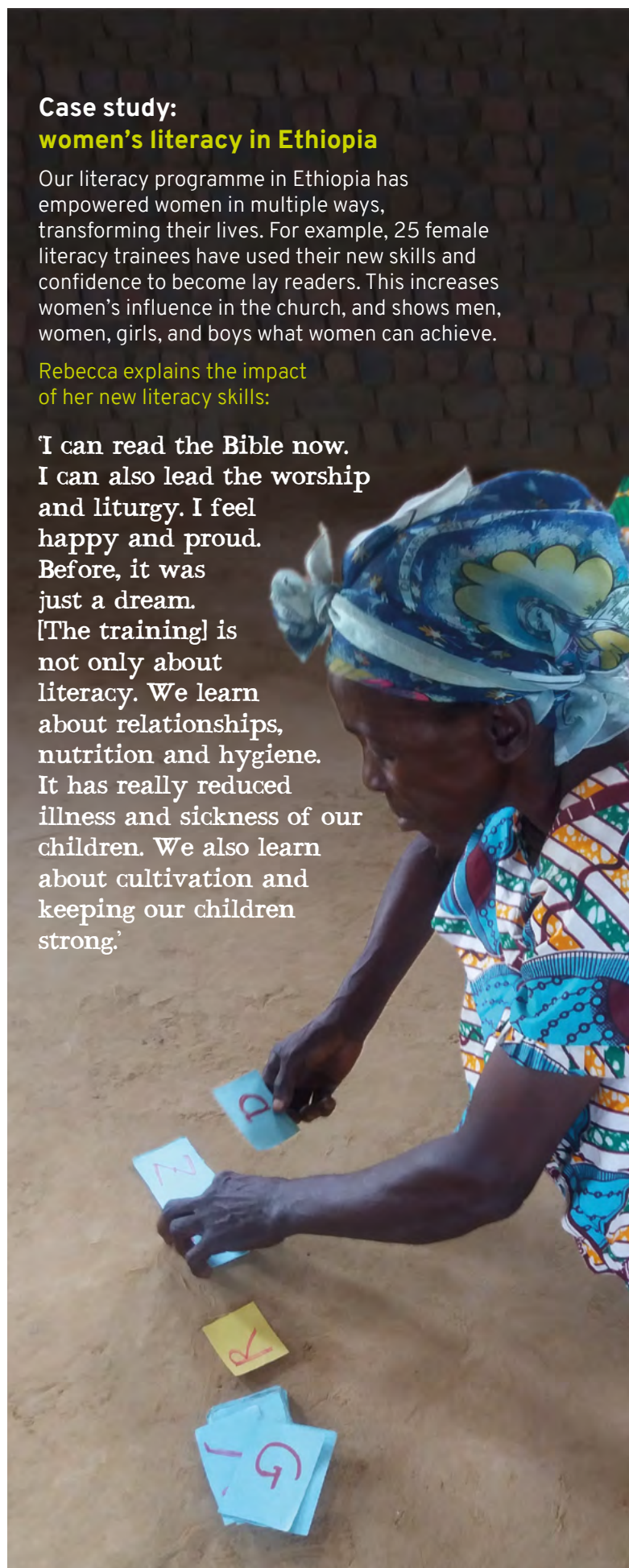
### Case study:

#### women's literacy in Ethiopia

Our literacy programme in Ethiopia has empowered women in multiple ways, transforming their lives. For example, 25 female literacy trainees have used their new skills and confidence to become lay readers. This increases women's influence in the church, and shows men, women, girls, and boys what women can achieve.

#### Rebecca explains the impact of her new literacy skills:

**I can read the Bible now. I can also lead the worship and liturgy. I feel happy and proud. Before, it was just a dream. [The training] is not only about literacy. We learn about relationships, nutrition and hygiene. It has really reduced illness and sickness of our children. We also learn about cultivation and keeping our children strong.'**





## STOPPING HUNGER AND INCREASING SELF-RELIANCE

Mothers' Union equips people with knowledge and life skills so they can access their rights, protect their health, earn an income and make positive choices to support themselves and their families.

### Savings groups

Since 2014, Mothers' Union has enabled over 32,500 people around the world to join community saving and loan groups to improve their financial security.

In June, we held four-day refresher training for our savings and credit groups across Tanzania, which have achieved inspiring results.

As of July 2019, the 187 groups had 3,900 members and total savings of 602 million Tanzanian shillings (around £209,000). 80% already give to the community or plan to do so.

One group donated money to build a new classroom at a local school and bought essential supplies for an orphanage and a special needs centre.

Savings groups mean their members can start or expand small businesses and livelihoods through savings or affordable loans. A group in Tanga started a chair hire enterprise, members in Kiteto established a soap business and a farmer from Ruaha was able to purchase more land. As a result, many more people can educate their children or feed their families regular nutritious meals.

**'I was not able to educate my child because I had no money. Group members [gave] me a loan to pay the fees, buy uniform, exercise books, pens. The group helped me to educate my child.'**

Agnes, Central Tanganyika diocese

### Community transformation – Metamorphosis

This uses participatory activities, including prayer and Bible study, to help people make positive changes in their communities.

Starting in Oxford and Ely dioceses with funding from the Church of England's Strategic Development Fund, Metamorphosis expanded to Portsmouth Diocese in 2019. This has increased individuals' skills and confidence, strengthened community togetherness and improved people's wellbeing. It has also boosted Mothers' Union and church membership locally.

In Oxford, the programme has strengthened relationships between several village churches and with the wider community. In Wisbech, new or expanded services arising from Metamorphosis include family fun days and care groups to look after lonely and elderly people.

These activities are based on local needs. For example, coffee mornings were started so that parents and carers could socialise cheaply and provide mutual support. In the weekly meetings, people have discussed issues such as how they can escape poverty.

**'We're not the same group of people we were when we started - we're now filled with hope and excitement.'**

Wisbech Metamorphosis participant

### Case study: Transforming lives in Portsmouth

Within weeks of starting Metamorphosis, Portsmouth Diocese created a new winter night shelter and a holiday hunger scheme for vulnerable families with school-age children.

Mothers' Union members Elizabeth, Karen and Carol established the holiday hunger project. Elizabeth explains, 'If I hadn't been to the [Metamorphosis] workshops, I would never have got this project up and running. The workshops gave me the confidence to give it a go.'

Carol adds, 'I love meeting the mums and their children, and thinking together how we can help each other.'



## NURTURING MEMBERSHIP

No one should face challenges alone. Fellowship inspires us to help others. By joining together, we can share strength and skills to help create a world free of hunger, violence and injustice.

Over 4 million members in 84 countries use their time and resources so that people now and in future generations can flourish. We continue to work with, and for, our members to increase their numbers, reach and impact.

**'We must all move together, not leaving behind any member.'**

Former Provincial President Mary Vunagi, celebrating 100 years of Mothers' Union in the Pacific Ocean region Melanesia

### Worldwide Council

From February 2017 to June 2019, over 200,000 members from across the world took part in Mothers' Union Listens Observes and Acts (MULOA) workshops. This process clarified our identity, purpose and processes. At our Worldwide Council in Rwanda, leaders from 30 countries reviewed MULOA findings and other data to develop our global 2019–2026 strategy. This will help us move forward as a single movement, connected by faith and with one another.

### Thy Kingdom Come

We were delighted to be a part of the global wave of prayer Thy Kingdom Come. This centred around a service at Coventry Cathedral that brought together 1,600 members from across the world, either in person or online.

### Case study: Mini MU

Liverpool-based Mothers' Union leader Dianne set up a craft corner to entertain children during meetings. This inspired the children to set up their very own 'Mini MU'.

Mini MU's launch event featured a dance routine choreographed and performed by the children. Dianne comments, 'It was wonderful to see the children work together and look after one another.'

Our hopes are that Mini MU and the adult branch create a real family movement.'

Under branch leaders Rosa (12) and Ella (11), Mini MU has many plans, including a fundraising bike ride.

### Strengthening our systems

We are committed to high standards of financial management, governance and quality control in everything we do.

In 2019, we continued our investment in systems to support our members and improve the strength, effectiveness and impact of their work. This will bear fruit in years to come.

We started to modernise our IT infrastructure to facilitate communication across our movement. We also initiated a common approach to monitoring, evaluation and learning within our programme work. This will help our members to learn from their peers across the world.

### Deepening relationships within the Anglican Communion

Through our practical ministry and compassionate care, we work closely with clergy and lay members to help connect people to God, faith and church.

In 2019, we continued to strengthen our partnerships within the Anglican Communion. We were delighted that our Worldwide President Sheran Harper was invited to deliver the opening address at General Synod, the national assembly of the Church of England, reaching a huge audience and receiving a standing ovation. Sheran also contributed to two General Synod debates, emphasising the commitment of our members and the importance of lay volunteers, and a small team of members and staff joined Sheran to network and identify how Mothers' Union could further support clergy in their ministry.

**'This truly felt like a new beginning for Mothers' Union in Britain and Ireland.'**

Susan Baker, Canterbury Provincial President elect

### Built on firm foundations

Our central Mothers' Union charity supports and coordinates our members' work around the world. Led by our Global Trustee Board, a small staff team based in London provides expertise in fundraising, communications, finance, policy and programme management. At the worldwide council in 2019, the whole movement affirmed its commitment to safeguarding, which will form an integral part of everything we do going forward, in a contextually appropriate way.





## ACCESSING NECESSARY RESOURCES

As the detailed report will show, we are pleased that Mothers' Union was able to accomplish all this ongoing activity as well as modernisation work whilst delivering a small operational surplus, slightly ahead of the budget.

We are particularly pleased with the level of net revenue contributed through the meeting rooms business within our Headquarters, Mary Sumner House, as well as the increased contribution during the year from the movement around the world, in line with agreements made at the worldwide council in June.

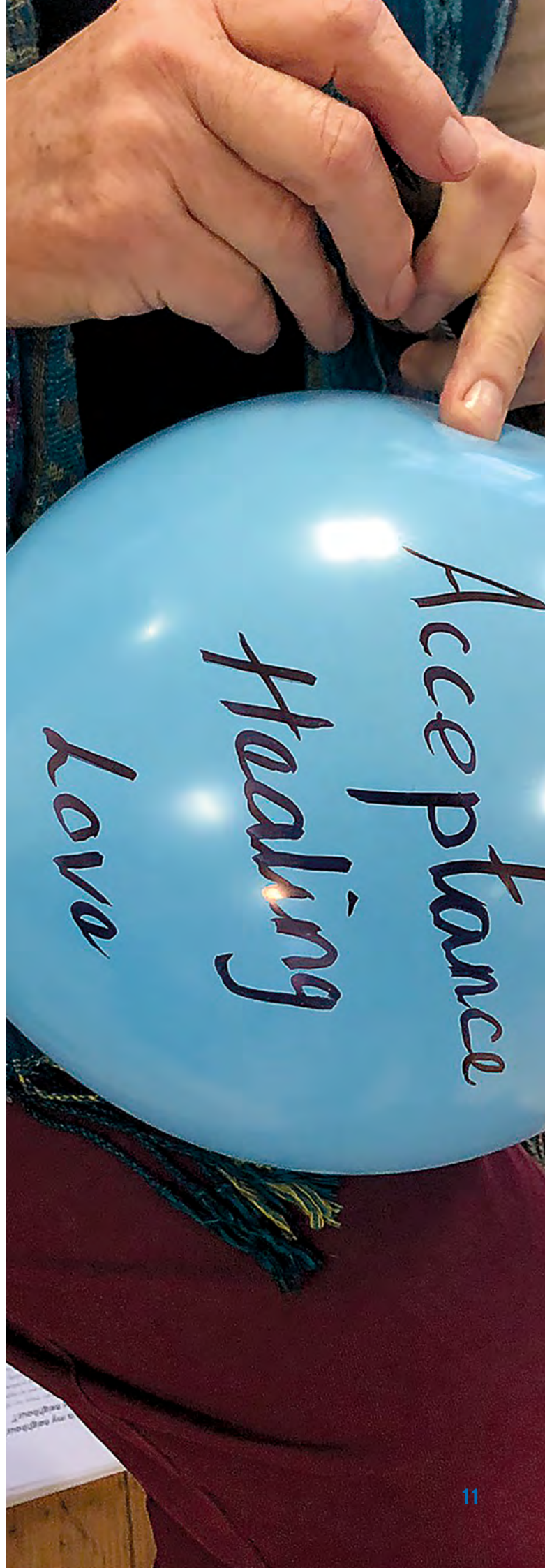
We are committed to increasing our work in partnership with others in order to enable our members to achieve even more, and are particularly pleased with evolving relationships with, for example, UNICEF in South Sudan, where we helped facilitate workshops to explore the issues underlying violence against women and children, and to help communities to identify their own solutions

## FUNDRAISING

Mothers' Union undertakes fundraising activity with members, dioceses and individuals via Presentations, Online campaigns, email and direct mail. We are proud to be members of the Institute of Fundraising and the Fundraising Regulator and we abide by their Fundraising Code of Practice, which covers various aspects of fundraising.

During the year we used 1 agency to support in income generation activities through a national raffle. Procurement and monitoring systems were put in to ensure they complied with both the Fundraising Regulator Code of Conduct as well as Mothers' Union's values and policies. We have worked hard to ensure that all staff are aware of, and sensitive to, data protection issues in their day-to-day work, embedding this into Mothers' Union. During 2019, Mothers' Union received zero fundraising complaints and 3 suppression requests from the Fundraising preference service (FPS) which were all actioned within 10 days.

During 2019 work took place to revise and improve the existing supporter journey to ensure our engagement was neither intrusive nor overly persistent, further work on this is planned for 2020 ensuring our supporter journey is centred on the donor.





## FUTURE PLANS

The objectives for 2020 were set as the first year of the 2020-26 Strategic Plan. These have been adapted significantly in year, to ensure financial sustainability of the Charity, with the launch of an emergency appeal and reduction in planned expenditure by £1m. Throughout this, the focus on providing most essential services and support to members and those they serve through and beyond the crisis has been preserved

### Transforming lives:

- All programmes clearly aligned to the identified goals from MULOA, underpinned by clear monitoring and evaluation systems. Programmes were paused during COVID-19, but in-year COVID response programmes started, and longer-term plans adjusted to post COVID-19 needs, with a focus on the “second pandemic” of gender-based violence
- Policy positions established and being implemented with countries, around Gender Justice – following member feedback, the focus shifted to Gender Based Violence in the light of COVID-19

### Nurturing membership

- The focus shifted to supporting members through the crisis, specifically using virtual media
- A new range of “live” worship resources, including midday prayers and services
- Increasing connectivity with the movement, both within Britain and Ireland and worldwide, through a regular series of ZOOM meetings
- Development of capacity building through webinars, both within MU and in partnership

### Building firm foundations

- Restructuring of central staff to enable long term sustainability of the charity – reducing staffing by one third in-year
- CEO and Senior Leadership Team taking a 20% pay cut from April to the end of the year, and comprehensive use of the Government Furlough Scheme, with over half of the staff on furlough for periods of time, whilst ensuring most essential services continue
- Strengthened safeguarding systems and process – focus on online training and resources, and including safeguarding in new programmes, and partnering
- IT systems upgrades on hold due to crisis – focus on developing virtual working capability within staff and members
- Stories of most significant change approach established for sharing impact of work – with an improved process for reporting

### Accessing necessary resources

- Rigorous reduction of planned expenditure in year in the order of £1m
- Launch of an Emergency Appeal to bridge revenue gap
- Revised approach to funding workers outside Britain and Ireland
- Enhanced revenue from the movement outside Britain and Ireland
- Strengthened partnership working to deliver
- Renovation programme for Mary Sumner House planned, but put on hold until economic environment clearer







## GOVERNANCE

Mothers' Union is governed by a Royal Charter originally dated 15 June 1926 and subsequently amended by Supplemental Charters, most recently in April 2018. The latest revision was part of the modernisation programme of Mothers' Union, to be consistent with current best governance practice, and to reflect the global nature of the Charity

The financial statements have been prepared in accordance with the accounting policies set out on pages 25 to 26 and comply with the Charity's Royal Charter, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2015 (FRS 102).

From 2019, the elected Board comprises the Worldwide President and 11 Zonal Trustees, 5 from Britain and Ireland and 6 from Regions around the world. Additionally, the board can be strengthened by up to 4 specialist appointees to fill gaps in knowledge or experience amongst the elected Trustees.

The full Trustee Board meets residentially twice a year to agree broad strategy and areas of activity for the Charity, including investment, reserves and risk management, and can convene ad hoc meetings in the interim virtually if required. It works on Triennial Cycles, and the current Triennium began in January 2019.

The Zonal Trustees and Worldwide President are elected from within the membership to their position for an initial term of three years and may stand for re-election for a second term. Appointed Trustees serve an initial term of 3 years, which may be renewed for a further 3 years.

The Board of Trustees is accountable to a representative body of the membership, the Worldwide Council, which meets at least once a Triennium. This comprises the serving Trustee

Board members, a representative of past Worldwide Presidents and all the Provincial Presidents from across the world. It exists to review the performance of the global movement and the central charity and play an advisory or decision-making role on matters of long-term importance for the movement.

The Board of Trustees has established several subcommittees, each Chaired by a Board member, through which it discharges its primary responsibilities. It can appoint individuals from outside the Board where necessary to complement the skills of Board members. Prominent amongst these sub committees is an Audit & Risk Committee. This comprises at least two Trustees, with the Chief Executive and the Head of Finance in attendance. It meets quarterly and supports the Board to fulfil its duties relating to financial reporting, internal controls, the audit process, management of risk, and compliance with the legal requirements that govern the Charity.

Decisions on grant making are, with effect from 2019, undertaken by a Development Committee, which includes 2 appointed external experts, following guidelines set by the Trustees.

In addition, a remuneration committee and a safeguarding committee are in place from 2019, and a member of the Board has been nominated to take a lead in matters relating to data protection.

All Trustees received an induction programme including external speakers at the start of this Triennium, covering their roles and responsibilities. A skills audit was conducted, to ensure the range of skills was fully understood, and to enable additional skills to be brought in if and as required. Update training sessions are delivered as necessary throughout the triennium. Recent training has focussed on the requirements of GDPR.

The day to day work of Mothers' Union is delegated to the Chief Executive and staff of approximately 40.



## ORGANISATIONAL STRUCTURE

MU has a wholly owned trading company, MU Enterprises Limited (MUE). MUE exists to handle the non-primary purpose trading operations of the group. It is governed by a board of at least 3 directors that includes the CEO of the Charity and it reports quarterly to the main Board of the Charity.

## STAFFING AND REMUNERATION

The Trustees consider that the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees give of their time freely and received no remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 25 and 26 to the accounts.

The Trustees and Senior Management Team declare any conflict(s) of interest by signing the conflict of interest declaration register.

The pay of the Senior Management Team and other staff is reviewed regularly by the Remuneration Committee who benchmark pay scales against pay levels in other similar charities within London and to make recommendations concerning the pay of the CEO and other senior staff. The remuneration benchmark is the mid-point of the range paid for similar roles in similar charities.

## PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity

## RISK MANAGEMENT

The Trustees have a risk management strategy which identifies the major risks to which the charity is exposed and the possible impact of these risks. Established systems are in place through the regular review of the risk register and quarterly management reports to review both the risks facing the charity and the effectiveness of the controls.

All significant deviation from the activities planned and budgeted is subject to approval from the Audit and Risk Committee.

Other measures that are in place and regularly reviewed and updated include environmental risk management, health and safety procedures and staff policies.

The table below shows the principal residual areas of risk faced by the Charity and the measures that have been put in place to manage these risks.

The Audit and Risk Committee also discussed the emerging risk of Covid-19 in their meeting at the start of March 2020. Rapid action was taken as the crisis developed, including a launch of an Emergency Appeal in April, full use of the Furlough Scheme and an expected total reduction of costs by the end of 2020 relative to budget of some £1m. During the crisis period, the Board and Audit and Risk Committee have been meeting frequently virtually to oversee progress and provide guidance.





Category of Risk and Description	Steps taken to mitigate residual risk
<b>Compliance Risk</b> Risk of compliance breach arising from failure of training, policies, procedures or oversight. Key risk areas include safeguarding and the GDPR.	<ul style="list-style-type: none"> <li>• A suite of policies and procedures is in place to help address risks arising from MU staff and members.</li> <li>• Dioceses are required to confirm that they adhere to the legislative and other standards recommended by regulatory authorities</li> <li>• An ongoing review of Safeguarding within the movement, overseen by a Board Committee</li> <li>• A full data protection audit took place in early 2018 using the services of a third party. Recommendations have been actioned, and the Board have oversight of performance.</li> </ul>
<b>Sustainability of Income</b> The charity is predominantly funded by subscriptions, donations and other contributions from the UK membership which is ageing and in decline.	<ul style="list-style-type: none"> <li>• Active Fundraising Strategy to develop income outside traditional membership sources</li> <li>• Working with affiliate provinces worldwide to increase contributions towards the needs of the central Charity</li> <li>• Membership Communication Project development is continuing and will shortly enable improvements in the administration of membership across the Charity and its affiliates. Intended to encourage member retention and facilitate growth.</li> <li>• MULOA project reached practical completion in 2019, enabling the creation of a new global strategy and communications approach for formal launch in 2020.</li> <li>• Options for maximising income generated by Mary Sumner House remain under active consideration</li> </ul>
<b>Competition</b> Many charities are competing for the same sources of income	<ul style="list-style-type: none"> <li>• The Fundraising Strategy identifies ways to support our membership, who are our primary supporters, as well as developing approaches to reach under-tapped audiences who are supportive of our core programmes and activities</li> <li>• Ensuring project design is optimised to maximise opportunities to access grant funding.</li> <li>• Where appropriate, we will partner rather than compete with others to ensure best use of our collective resources</li> </ul>
<b>Cashflow Risk and Reserves?</b> Ongoing activities and number of new strategic projects are placing increased pressure on cashflow	<ul style="list-style-type: none"> <li>• Detailed consideration of cashflow requirements when setting annual budgets including identification of anticipated pinch points</li> <li>• Creation of a cashflow strategy to address anticipated cashflow pinch points ahead of time</li> <li>• Regular review of cashflow as part of monthly management reporting</li> <li>• Plan from 2019 to generate small annual surpluses to rebuild reserves</li> </ul>
<b>Investment Risk</b> Risk of significant declines in investment values/ income	<ul style="list-style-type: none"> <li>• Ongoing monitoring of the investment market and portfolio performance.</li> <li>• Selling investments to cater for short-term cash flow needs only when the investment values are favourable and when there are no realistic alternatives</li> <li>• Stated intention to move towards budgeting for surpluses of sufficient size to readily absorb foreseeable fluctuations in investment income</li> </ul>
<b>Disaster Risk</b> Fire/flooding/pandemic/terrorist attack risk	<ul style="list-style-type: none"> <li>• Insurance cover and the disaster recovery plan helps to manage these risks</li> <li>• Foreseeable building maintenance needs are being built into the future redevelopment plans for the building as they take shape</li> </ul>

# FINANCE REVIEW

## Financial Performance

2019 was a year of relatively modest financial change whilst significant long term strategic and structural developments continued to take shape in the background.

The overall surplus shown for the year £454,043 (2018: deficit of £139,602). With unrealised gains on investment assets excluded the group actually recorded an underlying operational surplus of £11,127, (2018: operational surplus of £102,193) which was broadly in line with budgeted expectations and represented a continued improvement in financial performance given the year did not benefit from exceptional receipts as occurred in 2018.

Total income in 2019 was £3,229,857 (2018 - £3,717,311). Out of this, £2,699,698 (84%) (2018: £2,711,484 (73%)) was received for general purposes and £530,159 (16%) (2018: £1,005,817 (27%)) was received into Restricted Funds. Income types were consistent with prior periods, however the year saw significant declines in fundraising compared to both the historic norm and the prior year totals resulting from disappointing grant success rates and a period of transition within the team.

The Trustees remain enormously grateful for the ongoing generosity shown by the members and supporters of Mothers' Union and again would note the uniqueness of their involvement in the work of the Charity, which goes well beyond generating funds for the Charity. In 2019, we know that members as volunteers again made a difference to the lives of over 1.1million worldwide. Membership subscriptions and donations generated from active members of £1,251,526 (2018: £1,403,134) continued to be the primary source of income for the group but also continued the recent trend: declining in absolute and relative terms owing to reduced membership within Britain and Ireland.

During 2019, the Charity received £56,429 (2018: £43,685) from the overseas movement. This continues to be a strategically important area for the future sustainability of the charity and is an area we expect to see significant development in over future years. The Trustees appreciated that many of its members struggle to meet basic living needs in their day to day lives, so such contributions from overseas are particularly gratefully received. The Trustees would also note that the Overseas movement again made exceptionally large contributions in kind during 2019, examples of this include meeting significant local costs in undertaking MULOA meetings and funding travel for representatives to take part in the Worldwide Council meeting in Kigali.

A significant part of the Charity's consolidated income continued to be generated by the trading company, MU Enterprises Limited, whose total income was £1,077,172 (2018: £1,055,859). This represents a noteworthy improvement compared to the previous period, one driven by growth in conferencing activities and achieved despite continuing substantial declines in the publications business. Losses generated by the publications business were controlled via a restructure in the magazine offer, this is intended to secure the short-term viability of continued publication until it is possible to offer a universal membership publication.

A summary of other key sources of income during the period were grants £91,077 (2018: £162,174), other donations and legacies £620,833 (2018: £895,731) and Investments £180,469 (2018: £197,488).

Total consolidated expenditure for the group was £3,218,730 (2018: £3,615,118), the decline compared to the previous year reflecting significant and successful in year corrective action in response to the disappointing fundraising income levels.

As in prior years, spending on charitable activities continued to be the dominant source of expenditure £2,288,613 (2018: £2,521,058) with the types of activity this category covers broadly unchanged.

Total staffing costs for the year were £1,562,164 (2018: £1,653,347) excluding DBS scheme movement

Spending on Governance £232,606 (2018: £127,110) increased significantly again this year, primarily due to the once a triennium costs of hosting the Worldwide Council event.

Other expenditure on underlying operations was broadly comparable with prior years.

The reported expenditure of the trading company was £731,430 (2018: £857,691) reflecting changes to staffing and improved cost management.

Overall a consolidated surplus of £323,644 (2018: deficit of £84,993) has been recognised on the general fund and a consolidated surplus of £130,399 (2018: deficit of £54,609) recognised on restricted funds.



## Financial Position

Aided by the surplus recognised on the SOFA, the financial position of the group remained relatively stable and robust with only the ongoing net current asset deficit giving cause for concern.

The group is debt free. Most liabilities included within the accounts are routine in scale and nature.

On a consolidated basis total assets exceeded total liabilities at 31 December 2019 by £3,033,757 (2018: £2,579,714). However net current liabilities of £190,287 (2018: £152,610) were reported, worsening the position reported in recent years.

Sufficiency of cashflow has again continued to be a key area of focus for both the executive team and the Board. Having assessed the relative risks the Board and executive team have continued to conclude that the risks arising from holding lower than ideal cash and current asset reserves are outweighed by the risks arising from failure to invest in key strategic transformation initiatives. Thanks to detailed financial planning and oversight, a supportive and committed membership, the availability of investment assets that can be realised at relatively short notice as an option of last resort and a good degree of control over the timing of grant expenditure, it is believed that the cashflow risk remains manageable in the short term under normal operating conditions. This risk area is to be addressed in the mid-term by plans for surpluses on future operational budgets.

Movement across the fund categories was comparable with previous years. The balance on the general fund at the year-end was £934,939 (2018: £620,295). The balance of Restricted Funds was £2,089,818 (2018: £1,959,419).

Thanks to the profit transfer covenant MUE continues to maintain a minimal net asset position.

## Capital Expenditure

Total Capital expenditure during the year was £402,951 (2018: £76,491). This significant strategic investment was predominantly spent on early phases of the Mary Sumner House redevelopment project and continued upgrades to IT infrastructure. The MSH investment was approved on the basis that planning permission alone would increase the value of the asset beyond the cost of the application.

## Future Financial Plans

The Trustees continue to acknowledge the importance of diversifying income streams to strengthen the financial sustainability of the charity, particularly with a view to enabling it to cope with anticipated future demographic challenges within the B&I membership. They are also acutely aware of the need to rebuild financial reserves after decade in which they have consistently been lower than ideal. The necessity of this end goal has been amply demonstrated by the Coronavirus related disruption being seen in 2020. This has significantly impacted all income sources and in the absence of significant free reserves has necessitated a significant reduction in planned expenditure and the introduction of an emergency appeal to maintain liquidity.

The Trustees had previously committed to running budgets with break-even or surplus positions shown on the general unrestricted fund with effect from 2019 until free reserve levels have reached the desired threshold. They remain committed to this path and will now enhance minimum target surpluses required over the next two years in light of the pandemic.

A number of significant strategic projects are currently underway to help address these risks. Prominent amongst these projects is the intended redevelopment of the movement's headquarters, Mary Sumner House. In late 2019 the Board agreed that a redevelopment scheme, created during 2019, should be put forward for formal planning approval. The scheme is intended to secure the long-term future of the building and maximise the income it generates to support the work of the charity. A decision from the planning authorities is expected in autumn 2020. If this application is successful then the trustees will, in due course, determine when and how to deliver the scheme taking into account current economic circumstances.

Work around the future of publication-based activities is also continuing, the charity is hoping to provide members in Britain and Ireland with a universal member publication with effect from 2021, ceasing production of the current commercial publication.

These current strategic investments follow on from recent investments in the MULOA process and IT infrastructure. It is expected these investments will collectively begin to make a meaningful difference to performance and reserve levels before the middle of the new decade.

## Financial Control Environment

The Board approves an annual budget prior to the commencement of each financial year. This budget is subsequently monitored and scrutinised by staff and Trustees as a comparative on the monthly and quarterly management accounts.

All expenditure must be authorised by a budget holder prior to it going forward for payment. Budget and sub budget holders are identified at the time the budget is approved. Single transaction authority limits within total allocated budgets are determined by Job role.

Policies and controls are in place to cover all aspects of financial processing. Detailed controls over funds and cheques are also in place. Multiple signatories are required to instigate any payments.

The adequacy of the control environment is periodically assessed.

## Investment Policy

The Trustees have full discretion to invest funds not immediately needed as they see appropriate. Every effort is made to ensure that the funds are invested to maximise returns without placing funds at undue risk or compromising ethical integrity. Therefore, to safeguard the assets of the Charity, the Trustees have adopted a low risk policy and have invested solely in diversified Britain and Ireland based funds, splitting the portfolio of investments more or less equally between the M&G Group Charifund and the various CBF Church of England Funds managed by CCLA.

The Trustees are happy with the performance of the charity's investment portfolio, despite the falls in market value that have been seen post period end, and have reaffirmed that the management of Mothers' Union's investments and the current asset allocation strategy are appropriate.

In order to support the cashflow needs of the Charity in pursuing the strategically vital Mary Sumner House project, £300k of assets held in the name of the General Fund were disposed of during the period. A further £75k disposal of assets held in the name of the general fund took place late in 2019 to provide cashflow to support the intended finance software replacement during 2020. These disposals were in accordance with the restrictions applying to the assets.

A full review of the charity's investment policy will be held in 2021 ahead of the new triennium. This will include a review of the ethical investment policy.

## Reserves and Fund Accounting

MU's reserves are a mix of unrestricted funds and restricted funds

The Trustees have calculated free reserves (those reserves available for general purposes) at 31 December 2019 as follows:

Total Funds at 31/12/19	£ 3,033,757
Less total restricted funds	£(2,089,818)
Less unrestricted tangible fixed assets	£ ( 714,736)
Free Reserves at 31/12/19	£229,203

The Trustees have set a target level for free reserves which represents 6 to 9 months of unrestricted expenditure of the Charity. Free reserves are presently £229,203, which is significantly lower than the bottom of the range the Trustees believe is appropriate. As noted in previous sections of this report, the trustees remain of the opinion that, in the immediate term, pursuing strategically vital projects that will help underpin the long term sustainability of the charity justifies a breach to the stated reserves policy. They intend to address the shortfall in reserves by budgeting for significant surpluses on the General Fund over the coming years. This will be possible as the deficits caused by the investments in recent transformational projects such as MULO A begin to generate a return through revitalised and increased membership, and an improved ability to generate funds outside the current membership.

The reserves policy for Restricted Funds is for sufficient assets to be held to meet the obligations of each fund and this was the case as of 31 December 2019.

During 2019 The Trustees agreed to move to an updated accounting fund structure by the start of 2021, which will involve the closure of the Charity's existing restricted funds to new donations and the creation of an increased number of project specific restricted and designated funds into the future, bringing Mothers' Union's approach to management of funds and reserves more in line with best practice elsewhere within the third sector.



## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statement in accordance with applicable law and regulations.

Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and group and of the surplus or deficit 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 of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and group and 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 the Trustees and signed on their behalf by:



Sheran Harper  
Worldwide President and Trustee  
29th September 2020

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MOTHERS' UNION

## Opinion

We have audited the financial statements of The Mothers' Union for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2019 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 group 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.

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 25, 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 group's and the parent 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 group or the parent 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 based on 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## 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 group's or the parent 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 Report of the Trustees. 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.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity; or
- sufficient accounting records have not been kept; or
- the parent charity 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.

## Use of our report

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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

*Haysmacintyre LLP*

Haysmacintyre LLP  
Statutory Auditors  
10 Queen Street Place  
London EC4R 1AG

Date: 2 October 2020

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

## Consolidated Statement of Financial Activities

	Note	Un- restricted £	Overseas Restricted £	Other Restricted £	Total 2019 £	Total 2018 £
Income from						
						Note 2
<b>Subscriptions, Donations &amp; Legacies</b>						
Membership subscriptions and donations		872,041	273,285	106,200	1,251,526	1,403,144
Other donations and legacies		540,369	78,181	2,283	620,833	895,731
Grants		68,077	21,500	1,500	91,077	162,174
		1,480,487	372,966	109,983	1,963,436	2,461,049
<b>Other Trading Activities</b>						
Trading income – MU Enterprises	4	1,077,172	-	-	1,077,172	1,055,859
Sale of Publications and other income		8,780	-	-	8,780	2,915
<b>Investments</b>	5	133,259	29,098	18,112	180,469	197,488
<b>Total Income</b>		2,699,698	402,064	128,095	3,229,857	3,717,311
<b>Expenditure on Raising Funds</b>						
Trading expenditure – MU Enterprises	4	731,430	-	-	731,430	857,691
Fundraising		198,687	-	-	198,687	236,359
		930,117	-	-	930,117	1,094,050
<b>Charitable activities</b>	6	1,669,989	482,914	135,710	2,288,613	2,521,068
<b>Total Expenditure</b>		2,600,106	482,914	135,710	3,218,730	3,615,118
<b>Net Income/(Expenditure) before recognised gains and losses</b>		99,592	(80,850)	(7,615)	11,127	102,193
Net gains/(losses) on investments		224,052	129,325	89,539	442,916	(241,795)
<b>Net Income/(expenditure)</b>		323,644	48,475	81,924	454,043	(139,602)
<b>Total Funds Brought Forward</b>		620,295	627,506	1,331,913	2,579,714	2,719,316
<b>Total Funds Carried Forward</b>	20	934,939	675,981	1,413,837	3,033,757	2,579,714

All the activities in the above financial years were derived from continuing operations. All recognised gains and losses are included in the above statement. The notes on pages 25 to 42 form part of these accounts.



## Consolidated and Charity Balance Sheets

		Group		Charity	
		2019	2018	2019	2018
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	13	714,736	358,645	714,736	358,645
Investments:					
Subsidiary undertaking	3	-	-	12	12
Other investments	15	2,769,916	2,702,983	2,769,916	2,702,983
		3,484,652	3,061,628	3,484,664	3,061,640
<b>Current Assets</b>					
Stocks	18	42,262	59,312	2,550	2,549
Debtors	16	211,258	235,227	255,273	256,014
Short term deposits		5,125	5,087	5,125	5,087
Cash at bank and in hand		378,632	275,017	280,804	177,110
		637,277	574,844	543,752	440,760
<b>Current Liabilities</b>					
Creditors: Falling due within one year	17	(827,564)	(727,253)	(734,051)	(593,382)
<b>Net Current Liabilities</b>		(190,287)	(152,409)	(190,299)	(152,610)
Total Assets less current liabilities		3,294,365	2,909,030	3,294,365	2,909,018
<b>Long-Term Liabilities – Pension Deficit</b>	17	(260,608)	(329,304)	(260,608)	(329,304)
<b>Net Assets</b>	20	3,033,757	2,579,714	3,033,757	2,579,714
<b>Fund Balances</b>					
Restricted funds	19	2,089,818	1,959,419	2,089,818	1,959,419
Unrestricted funds		943,939	620,295	943,939	620,295
		3,033,757	2,579,714	3,033,757	2,579,714

The financial statements and notes on pages 25 to 42 were approved and authorised for issue by the Board of Trustees on 29th September 2020 and signed on its behalf by



Sheran Harper  
Worldwide President and Trustee  
29th September 2020

## Consolidated Statement of Cash Flows

		2019	2018
		£	£
<b>Net cash used in from operating activities</b>	a	(49,848)	(240,112)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(402,951)	(76,491)
Investment income		180,469	197,488
Gift of shares		-	-
Proceeds from sale of investments		375,983	137,944
<b>Changes in cash in the reporting period</b>	a	153,501	258,941
<b>Management of other liquid resources</b>			
Decrease/(Increase) in short term deposits		(38)	79,630
<b>Increase in cash in the year</b>		103,615	98,457
<b>Cash at 1 January</b>		275,017	176,558
<b>Cash at 31 December</b>		378,632	275,017

### a) Reconciliation of changes in resources to net outflow from operating activities

	2019	2018
	£	£
Net income / (expenditure)	454,043	(139,602)
Depreciation	46,860	40,514
Gain on investments	(442,916)	241,795
Income from investments	(180,469)	(197,488)
Decrease in Stocks	17,050	16,962
Decrease in Debtors	23,969	51,094
(Decrease)/increase in Creditors	31,615	(253,387)
	(49,848)	(240,112)

The notes on pages 25 to 42 form part of these accounts.



## Notes to the Financial Statements

### 1. Accounting Policies

#### a) Basis of Preparation

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

Mothers' Union 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 note(s).

#### Going concern

The trustees have reviewed the charity's financial position, reserves levels and future plans and consider there are no foreseeable material uncertainties about the Charity's ability to continue as a going concern.

#### Subscriptions

Diocesan subscriptions to the General Fund are dealt with on an accrual's basis. Receipts from dioceses for subscriptions for Families First magazine for the following year have been treated as deferred income in the accounts of the trading subsidiary. All other subscriptions are dealt with within the accounts of the period in which they are received.

#### Income Recognition

All income is recognised once the Charity has entitlement to income, it is probable that income will be received, and the amount of income receivable can be measured reliably.

#### Donation and Legacies

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

#### Grants Received

Grants are recognised in full in the statement of financial activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

#### Income from Investments and Short-Term Deposits

Income from investments and short-term deposits includes taxation recoverable in respect of that income.

#### Pension Costs

Mothers' Union participates in the Pension Builder (Defined Contribution) and Defined Benefits Scheme (closed to new entrants), both of which are part of the Church Workers Pension Fund. As the Charity is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis, it takes a multi-employer exemption under FRS102 and so accounts for the scheme as if it were a defined contribution scheme. Pension costs are accounted for based on contributions payable for the year.

#### Grants Payable

Grants are normally charged in the period in which they are paid. In the case of the annual grants from the General Fund made to dioceses in Britain and Ireland for general purposes, these are charged in the year for which they are approved.

#### Investments

Investments are stated in the balance sheet at their gross market value as at the balance sheet date without provision for potential costs relating to the disposal of these. All movements in value arising from investment changes or revaluation are shown in the Consolidated Statement of Financial Activities.

#### Fund Accounting

Mothers' Union has various types of funds which require separate disclosure. These are as follows:

##### Restricted Funds:

These funds receive income, which are earmarked by the donor for specific purposes, where these purposes are within the overall aims of the organisation. These funds may be income only (where the capital must be retained) or income and capital (where the income derived therein may be fully utilised). There are currently 8 such restricted funds managed by the Charity.

##### Unrestricted Funds:

Income received into this fund is expendable at the discretion of the Trustees in the furtherance of the objectives of the Charity. In addition to such expenditure, funds may be held in reserve to finance capital investment and working capital.

## Property

In accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities, the freehold property in Westminster, the only property used by the Charity on a continuing basis, is stated at cost in the balance sheet.

## Tangible fixed assets

For the property, no depreciation is charged on the original building on the basis that the estimated remaining useful life of the property exceeds 50 years and the property has a high residual value, particularly due to the high value of land in Westminster. This is subject to an annual impairment review. Improvement to property and other tangible fixed assets are depreciated over their expected useful lives on the straight-line basis as follows:

Property improvement – 4% after the first year

Office equipment and furniture – 20%

Computer equipment – 20%

Membership database and Website – 10%

Depreciation is not charged until the asset has been brought into use.

Assets with a value in excess of £500 or with a useful life over 5 years have been capitalised. Assets that have no further useful life or those that have been scrapped have been written off at cost less accumulated depreciation.

## Stocks

Stocks are stated at the lower of cost and net realisable value. Specific provision is made for obsolete and slow-moving stock on an item by item basis. Stock of publications for resale held by the Charity has been shown at cost.

## Short-Term Deposits

Bank deposits, which are not repayable on demand without penalty, are treated as short-term investments.

## Expenditure

Expenditure is accounted for on an accruals basis and include attributable VAT, which cannot be recovered. Expenditure is allocated to the activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the direct costs of each activity. Governance costs include the cost of governance arrangements which relate to the general running of the Charity, including strategic planning for its future developments, external audit, any legal advice for the Trustees, and all costs of complying with constitutional and statutory requirements, such as the costs of the Trustee meetings and of preparing the statutory accounts and satisfying public accountability.



## 2. Comparative Statement of Financial Activities – for the year ended 31 December 2018

	Un- restricted 2018 £	Overseas Restricted 2018 £	Other Restricted 2018 £	Total 2018 £
<b>Income from Subscriptions, Donations &amp; Legacies</b>				
Membership subscriptions and donations	886,030	406,598	110,516	1,403,144
Other donations and legacies	508,821	348,268	38,642	895,731
Grants	112,174	50,000	-	162,174
	1,507,025	804,866	149,158	2,461,049
<b>Other Trading Activities</b>				
Trading income – MU Enterprises				
Sale of Publications	1,055,859	-	-	1,055,859
<b>Investments</b>	2,915	-	-	2,915
	145,685	31,440	20,363	197,488
<b>Total income</b>	2,711,484	836,306	169,521	3,717,311
<b>Expenditure on Raising Funds</b>				
Trading expenditure – MU Enterprises	857,691	-	-	857,691
Fundraising	236,359	-	-	236,359
	1,094,050	-	-	1,094,050
<b>Charitable activities</b>	1,551,106	614,506	355,456	2,521,068
<b>Total Expenditure</b>	2,645,156	614,506	355,456	3,615,118
<b>Net Income/(Expenditure) before recognised gains and losses</b>				
Net gains/(losses) on investment assets	66,328	221,870	(186,005)	102,193
	(151,321)	(59,038)	(31,436)	(241,795)
<b>Net Income/(Expenditure)</b>	(84,993)	162,762	(217,371)	(139,602)
<b>Total Funds Brought Forward</b>	705,288	464,744	1,549,284	2,719,316
<b>Total Funds Carried Forward</b>	620,295	627,506	1,331,913	2,579,714

### 3. Subsidiary Undertaking

Mothers' Union owns the whole of the issued share capital of MU Enterprises Limited ("the company"). The principal activities of the company are the sale of publications, cards and gifts, the publication of the magazine *Families First*, and the letting of conference rooms.

The interests of Mothers' Union are:

	Share Capital	
	2019 Total	2018 Total
	£	£
At beginning and end of year	12	12

Advances, where made, are secured by way of a fixed and floating charge over the assets of the company, under a debenture dated 14 December 1995.

### 4. Trading Activities and Results of MU Enterprises Limited

	2019 £	2018 £
Turnover	1,076,968	1,055,859
Cost of sales	(555,224)	(671,985)
Gross profit	521,744	383,874
Indirect and administrative costs	(316,005)	(325,506)
Interest receivable	204	135
Interest payable to Mothers' Union	-	-
Net profit before donation to parent charity	205,943	58,503

Indirect and administrative costs include rent payable to Mothers' Union of £99,800 (2018 - £99,800). The subsidiary donated £205,942 (2018: £47,781) of its profits to the Charity in the year under a deed of covenant.

The aggregate of the assets, liabilities and reserves was:	2019 £	2018 £
Aggregate assets	208,157	232,990
Aggregate liabilities	(208,145)	(232,978)
	12	12



## 5. Investments – other investments

	Un- restricted Funds 2019	Overseas Funds 2019	Other Restricted Funds 2019	Total 2019
	£	£	£	£
Rental Income	55,423	-	-	55,423
Bank Interest	-	-	-	-
Fixed interest stocks	2,279	-	-	2,279
Investment trusts	73,169	29,091	18,089	120,349
Short-term deposits	70	7	23	100
Shares in UK listed companies	2,318	-	-	2,318
	133,259	29,098	18,112	180,469

	Un- restricted Funds 2019	Overseas Funds 2019	Other Restricted Funds 2019	Total 2019
	£	£	£	£
Rental Income	74,516	-	-	74,516
Bank Interest	-	-	-	-
Fixed interest stocks	2,279	-	-	2,279
Investment trusts	66,036	31,432	20,347	117,815
Short-term deposits	598	8	16	622
Shares in UK listed companies	2,256	-	-	2,256
	145,685	31,440	20,363	197,488

## 6. Expenditure

### a) Analysis of Charitable Activities

	Grants 2019	Direct Costs 2019	Support Costs 2019	Total 2019
	£	£	£	£
Community Engagement & Development	46,816	326,690	150,405	523,911
Training & Capacity Building	53,395	349,578	160,838	563,811
Prayer & Fellowship	21,794	183,393	93,049	298,236
Campaigning	22,033	229,229	103,227	354,489
Emergency Relief	57	1,245	-	1,302
Membership Resources	22,272	353,576	171,016	546,864
	166,367	1,443,711	678,535	2,288,613

2018 comparatives	Grants 2018	Direct Costs 2018	Support Costs 2018	Total 2018
	£	£	£	£
Community Engagement & Development	105,877	348,441	129,493	583,811
Training & Capacity Building	105,877	369,748	139,201	614,826
Prayer & Fellowship	41,248	224,231	82,167	347,646
Campaigning	42,972	245,147	90,206	378,325
Emergency Relief	22,373	884	3,593	26,850
Membership Resources	44,697	377,673	147,240	569,610
	363,044	1,566,124	591,900	2,521,068



## 6. Expenditure (continued)

### b) Analysis of Support Costs

	Governance 2019	Administration 2019	Premises & IT 2019	Depreciation 2019	Total 2019
	£	£	£	£	£
Community Engagement & Development	51,894	46,142	42,060	10,309	150,405
Training & Capacity Building	55,034	50,395	44,163	11,246	160,838
Prayer & Fellowship	31,839	29,414	25,236	6,560	93,049
Campaigning	35,322	31,434	29,442	7,029	103,227
Emergency Relief	-	-	-	-	-
Membership Resources	58,517	52,414	48,369	11,716	171,076
	232,606	209,799	189,270	46,860	678,535
<b>2018 comparatives</b>	<b>Governance 2019</b>	<b>Administration 2019</b>	<b>Premises &amp; IT 2019</b>	<b>Depreciation 2019</b>	<b>Total 2019</b>
	£	£	£	£	£
Community Engagement & Development	26,893	61,089	35,646	5,865	129,493
Training & Capacity Building	28,689	66,685	37,430	6,397	139,201
Prayer & Fellowship	18,135	38,912	21,389	3,731	82,167
Campaigning	19,623	41,633	24,952	3,998	90,206
Emergency Relief	3,593	-	-	-	3,593
Membership Resources	30,178	69,405	40,994	6,663	147,240
	127,111	277,724	160,411	26,654	591,900

Support costs are allocated in the ratio of staff time, space occupied, grants paid and direct costs.

### c) Grant Payments

Mothers' Union made grant payments to 68 affiliates during the year (2018 – 102) which include grants for programmes, salary and travel costs for Community Development Coordinators and other project related costs such as equipment.

There were no Grants made of more than £35,000, however there were in the prior year as below:

	2019	2018
	£	£
Burundi to support local Community development Co-ordinators		53,860
South Sudan, Literacy & Financial Education Programme		65,000

## 6. Expenditure (continued)

### d) Analysis of Governance Costs

	2019	2018
	£	£
Audit and accountancy fees	15,390	13,900
Strategic Review	40	-
Trustees' Training	3,039	2,236
Trustees' Expenses	21,652	51,546
World Wide Conference	99,334	10,429
Apportionment of Staff costs	93,151	49,000
	<hr/> 232,606	<hr/> 127,111

## 7. Net income/(expenditure)

Net income/(expenditure) is stated after charging

	2019	2018
	£	£
Depreciation of tangible fixed assets	46,860	40,514
Auditors remuneration – audit of parent charity	15,390	12,050
– audit of MU Enterprises Limited	7,150	6,500
– other	2,685	1,850
	<hr/> 232,606	<hr/> 127,111

## 8. Employees

	2019	2018
Average number of employees (headcount)	40	41
Aggregate remuneration to employees was:	£	£
Wages & salaries (including temporary staff)	1,355,131	1,426,951
Social Security costs	130,289	139,472
Pension costs: operating cost	76,745	86,924
Subtotal	1,562,164	1,653,347
Additional pension costs: (decrease)/increase to deficit contribution (note 10)	(78,527)	(83,219)
Total salary expenditure	1,483,637	1,570,128
Less:		
Recharged to subsidiary undertaking by way of management charge	(464,223)	(515,271)
Net salary expenditure, borne by the Charity	1,019,414	1,054,857

The number of employees with annual remuneration in excess of £60,000, excluding pension contributions to the Church Workers Pension Fund administered by Church of England:

	2019	2018
£80,001 - £90,000	1	1

During the year, no Trustees received any remuneration. 16 Trustees claimed expenses of £61,434 (2018, 16 Trustees - £51,546) for travel and subsistence. In addition, the Charity paid £1,500 for Trustee Indemnity Insurance (2018 - £1,500).

Total remuneration paid to key management personnel totalled £294,575 for 2019 (2018 - £327,290), which includes pension contribution of £13,454 (2018 - £15,246). Out of this, £52,159 (2018 - £67,264) was charged to subsidiary (MU Enterprises Ltd.) as Directors' remuneration.

Redundancy and settlement payments totalled £9,500 in the period (2018: £63,333).



## 9. Related Parties

Aggregate donations of £3,100 were received from Trustees during 2019 (2018 - £966).

## 10. Pension Costs

The Mothers' Union participates in the Pension Builder Scheme section and the Defined Benefits Scheme section of CWPf for lay staff. Both schemes are administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

### Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2019: £696, 2018: £78,097). A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as of 31 December 2016.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the

funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Mothers' Union could become responsible for paying a share of that employer's pension liabilities.

### Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA in the year contributions are payable towards benefits and expenses accrued in that year (2019: £9,526, 2018: £8,827), plus any impact of deficit contributions (see below), giving a total Charge of £53,668 for 2019 (2018: charge of £74,392).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. The most recent was carried out as of 31 December 2016. In this valuation, the Life Risk Section was shown to be in deficit by £2.6m and £2.6m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £26.2m.

## 10. Pension Costs (continued)

Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay expenses of £6,300 per year. In addition, deficit payments of £68,696 per year have been agreed for 7.00 years from 1 April 2019 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2019	2018
	£	£
Balance Sheet Liability as at 1 January	398,000	549,219
Deficit Contribution paid	(70,000)	(70,000)
Interest	2,000	2,000
Remaining change to balance sheet liability (recognised in SoFA)	(696)	(83,219)
Balance Sheet liability as at 31 December	329,304	398,000

\*Comprises changes in expected deficit recovery plan following receipt of preliminary 2016 valuation.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	2019	2018	2017
Discount rate	2.40%	2.10%	1.00%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

The next valuation of the scheme will be carried out as of December 2019.

## 11. Freehold Property

Mothers' Union owns the freehold property in Westminster consisting of the office premises and chapel, representing an original capital expenditure of £65,492 in 1925, this amount having been received by Mothers' Union from various sources, both home and overseas. The Trustees consider that the market value of the freehold property is in excess of the carrying cost in the Balance Sheet.

As explained in the statement of accounting policies, the cost of this property is shown in the Balance Sheet in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities.

## 12. Tangible Assets - (Group and Charity)

	Freehold Property £	Office Furniture & Equipment £	Membership database & website development £	Computer Equipment £	Total £
Cost					
1 January 2019	222,294	513,988	175,146	297,121	1,208,549
Additions	256,794	19,040	60,885	66,233	402,951
31 December 2019	479,088	533,028	236,031	363,354	1,611,500
Depreciation					
1 January 2019	52,698	503,929	25,130	268,146	849,904
Charge for year	6,272	7,409	20,577	12,602	46,860
31 December 2019	58,970	511,338	45,708	280,748	896,764
Net Book Value at 31 December 2019	420,117	21,690	190,324	82,605	714,736
Net Book Value at 31 December 2018	169,596	10,059	150,016	28,794	358,645

## 13. Capital commitments

There were no approved capital commitments at 31 December.



## 14. Associated Charities

The Mothers' Union is active in 34 Provinces of the worldwide Anglican Communion. Each of the Provincial organisations is independent and accordingly their assets and results are not included in these accounts. The Charity is also at work in dioceses of the Church of England, the Church in Wales, the Church of Ireland and the Scottish Episcopal Church. Each diocesan organisation is autonomous and therefore their assets and results are not included in these accounts either.

## 15. Investments – (Group & Charity)

	Unrestricted Funds £	Restricted Fund Overseas £	Other Restricted Funds £	Total 2019 £	Total 2018 £
Market Value:					
At beginning of year	1,465,097	745,523	492,363	2,702,983	3,082,722
Additions	-	-	-	-	-
Transfers	-	-	-	-	-
Disposal	(375,983)			(375,983)	(137,944)
Gains	224,052	129,325	89,359	442,916	(241,795)
At end of year	1,313,166	874,848	581,902	2,796,916	2,702,983
Being at market value:					
Fixed interest stocks	-	15,483	-	15,483	73,787
Investment trusts	1,285,476	853,730	581,902	2,721,108	2,577,126
Shares in UK listed Companies	27,690	5,635	-	33,325	52,070
	1,313,166	874,848	581,902	2,769,916	2,702,983
Cost of investments	138,463	108,199	41,897	288,559	378,876

All investments were in UK fixed interest stocks and investment trusts, and UK listed companies.

## 16. Debtors: Amounts falling due within one year

	2019 Group £	2019 Charity £	2018 Group £	2018 Charity £
Trade debtors	70,613	-	74,780	-
Amount due from subsidiary undertaking				
Deed of Covenant	-	114,628		48,036
Other	-	-		47,781
	70,613	114,628	74,780	95,817
Staff season ticket and other loans	8,255	8,255	10,291	10,291
Other debtors	78,948	78,948	90,801	90,801
Prepayments	53,442	53,442	59,355	59,105
	211,258	255,273	235,227	256,014

## 17 (a) Creditors: Amounts falling due within one year

	2019 Group £	2019 Charity £	2018 Group £	2018 Charity £
Pension deficit due within 1 year	78,222	78,222	78,527	78,527
Trade creditors	218,965	205,203	156,059	138,889
Other taxation	55,483	38,089	70,399	55,820
Other creditors	108,763	108,763	42,799	42,799
Deferred income	19,164	19,164	94,710	39,101
Accruals	346,967	284,610	284,759	238,246
	827,564	734,051	727,253	593,382

**(b) Creditors: Amounts falling due after more than one year**

	Charity and Group	
	2019	2018
	£	£
Pension Deficit	260,608	329,304
The total pension deficit is repayable over the following period		
Within 1 year	78,222	68,696
Between 1 and 2 years	66,245	67,353
Between 2 and 5 years	184,837	271,782
	329,304	407,831

**(c) Deferred Income**

	Balance at 1 January 2019	Released during the year	Deferred during the year	Balance at 31 December 2019
	£	£	£	£
Deferred Income	94,710	(94,710)	19,164	19,164
2018 comparative				
	Balance at 1 January 2018	Released during the year	Deferred during the year	Balance at 31 December 2018
	£	£	£	£
Deferred Income	182,691	(182,691)	94,710	94,710

Deferred Income represents income that was received during the year, for subscriptions relating to the publications, which have not been sent to subscribers and other income received in advance.

**18. Stocks**

	2019		2018	
	Group	Charity	Group	Charity
	£	£	£	£
Goods for resale	42,262	2,550	59,312	2,549
	42,262	2,550	59,312	2,549



## 19. Restricted Funds

The income funds of the Charity include restricted funds comprising the unexpended balances of donations and grants held on trust to be applied for specific purposes. The details of these funds are as follows:

	Balance at 1 January 2019	Income	Expenditure	Investment Gains	Balance at 31 December 2019
	£	£	£	£	£
Overseas Fund	627,506	402,064	(482,914)	129,325	675,981
Other Restricted Funds					
Special Regional Meetings	-	7	(59,414)	-	(59,407)
Relief	775,798	81,214	(57)	-	856,955
Overseas Provident	459,990	18,105	(48,216)	89,539	519,418
Britain & Ireland Development Fund	55,596	26,055	(27,474)	-	54,177
MSH Fund	28,686	-	-	-	28,686
Other Funds	11,843	2,714	(549)	-	14,008
	1,331,913	128,095	(135,710)	89,539	1,413,837
Total Restricted Funds	1,959,419	530,159	(618,624)	218,864	2089,818

Other Funds includes two individual funds comprising the Away From It All Fund and The Chapel Fund where the fund balances and income, expenditure, gains or losses on investments are less than £7,000 per fund. A brief description of the purpose of each fund is given below:

Fund	Purpose
Overseas Fund	To support the Charity's work in communities worldwide through Mothers' Union dioceses.
Special Regional Meetings	To pay for the worldwide Special Regional Meetings.
Relief	To give emergency relief to families whose lives have met with adversity.
Overseas Provident	To pay for retirement and health costs for overseas Mothers' Union workers, where adequate local arrangements do not exist.
Britain & Ireland Development Fund	Support the Charity's work in communities in Britain and Ireland through its Mothers' Union dioceses.
MSH Fund	To support refurbishment work relating to Mary Sumner House.
Other    Away From It All Fund	To help disadvantaged families to have holidays in Britain and Ireland.
Chapel Fund	To pay for the upkeep of the Chapel in Mary Sumner House.

## 19. Restricted Funds (continued)

Comparative fund movements: for 2018	Balance at 1 January 2018 £	Income £	Expenditure £	Investment Gains £	Balance at 31 December 2018 £
Overseas Fund	464,744	836,305	(614,505)	(59,038)	627,506
Other Restricted Funds					
Special Regional Meetings	180,712	32,369	(213,081)	-	-
Relief	742,991	86,324	(53,517)	-	775,798
Overseas Provident	528,582	20,444	(57,600)	(31,436)	459,990
Britain & Ireland Development Fund	58,583	26,577	(29,564)	-	55,596
MSH Fund	25,717	2,969	-	-	28,686
Other Funds	12,699	838	(1,694)	-	11,843
	1,549,284	169,521	(355,456)	(31,436)	1,331,913
Total Restricted Funds	2,014,028	1,005,826	(969,961)	(90,474)	1,959,419

## 20. Analysis of Group Net Assets between Funds

	Unrestricted Fund	Overseas Restricted Fund	Other Restricted Fund	Total
	£	£	£	£
Fixed Assets	714,736	-	-	714,736
Investments	1,313,166	874,848	581,902	2,769,916
Current Assets/Liabilities	(823,355)	(198,867)	831,935	(190,287)
Long term Liabilities	(260,608)	-	-	(260,608)
Net Assets	943,939	675,981	1,413,837	3,033,757

### 2018 comparative

	Unrestricted Fund	Overseas Restricted Fund	Other Restricted Fund	Total
	£	£	£	£
Fixed Assets	358,645	-	-	358,645
Investments	1,465,097	745,523	492,363	2,702,983
Current Assets/Liabilities	(874,143)	(118,017)	839,550	(152,610)
Long term Liabilities	(329,304)	-	-	(329,304)
Net Assets	620,295	627,506	1,331,913	2,579,714

## 21. Post balance sheet events

The coronavirus pandemic in Spring 2020 has had a significant impact on the charities' finances and operations.

There has been a significant reduction in the valuation of the investment portfolio, reflecting the fall in global stock markets. The valuation as at 29 September 2020 was £2.32M. The Board has no intention to realise any of these investments for the foreseeable future.

There is likely to be a significant reduction in income in 2020 from these investments, trading activities and fundraising activities.

The charity has taken steps to preserve its cash position by controlling operational expenditure. Work on planned infrastructure investments has also had to be put on hold temporarily. With these measures in place, the Board is confident that the charity remains a going concern and is well placed to manage any financial impact of the pandemic.

This is a non-adjusting event and has had no impact on the balance sheet.



## **Trustees**

### **In Office from 01/01/2019**

Sheran Harper  
Elisabeth Crossman  
Nicola Sweatman  
Catherine Hilton  
Jennifer Barton  
Elizabeth Butler  
Thembsie Mchunu  
Kathleen Snow  
Roshini Mendis  
Paul Hindle  
Mary Kamwati  
Marie-Pierrette Bezara

### **Chief Executive**

Beverley Jullien

### **Registered Office**

Mary Sumner House,  
24 Tufton Street,  
London SW1P 3RB

### **Auditors**

haysmacintyre LLP  
10 Queen Street Place,  
London EC4R 1AG

### **Bankers**

National Westminster Bank Plc  
57 Victoria Street,  
London SW1H 0HN

### **Solicitors**

Bircham Dyson Bell  
50 Broadway,  
London SW1H 0BL

### **Investment Managers**

M&G Securities Ltd  
PO Box 6152,  
Basildon SS14 0WL  
CCLA Investment Management Ltd  
80 Cheapside,  
London EC2V 6D