



Trustee's Report 2021

United
Purpose 
Beyond aid

BOARD OF TRUSTEES

(as at 31 December 2021) Mary Robinson
(Chair) Hadi Husani
Catherine Cottrell
Carmel Fox
Dervla Owens
Michael Gormley
Catherine Fitzgibbon

Resignations

Peter Atfield - 04/08/2021
Peter Ayres - 04/08/2021
David Bull - 04/08/2021
Martin Davidson - 04/08/2021
Michael Gormley - 28/11/2022
Catherine Fitzgibbon - 30/06/2022

SENIOR LEADERSHIP TEAM

(as at 31 December 2021)
CEO: Ray Jordan
Executive Director: David Dalton
Programmes Director: Orla Kilcullen
CFOO: Peter McDevitt
Director of Business Development: Martha Hourican

What we do

United Purpose strives to end extreme poverty and inequality across the globe.

We are a leader in community-led development and grassroots innovation. For more than 40 years, we have worked with frontline activists, community organisations and individuals to help people gain agency over their own lives and move beyond aid.

We believe a person's ability to feed themselves, stay healthy or have an education should never be dependent on charity or benevolence but always within their control. We want people everywhere to live independent lives where they are able to exercise agency over their own future.

How we do it

At the heart of our approach is a grassroots, community-led model. We believe in working in partnerships, and place the voices of those we work with at the forefront of all we do.

We are innovative and creative, and we are not afraid to explore new methods to achieve better results.

We specialise in mobilising communities to transform social norms and behaviour that infringe rights and hold back development. We pride ourselves on building deep relationships with communities, local partners and governments to implement community-led, sustainable solutions to the challenges people face. These solutions often involve improving access to markets, establishing business opportunities to enhance livelihoods and increasing access to basic public services.

All of this enables the people we support to take control of their own lives and move beyond aid.

Specifically, we use three tactics to bring about lasting change:

- We tackle the big issues that affect people's lives
- We test and scale innovations
- We mobilise our resources to influence global change

Our merger with Self Help Africa will enable us to fulfil our objectives. Together, we are working to improve the lives of close to six million people, each year.

Our tactics for lasting change

- We tackle the big issues that affect people's lives
- We test and scale innovations
- We mobilise our resources to influence global change

Money



We support people to gain more sustainable and resilient access to income.

The big issues

Health

We improve health and wellbeing by increasing access to basic services and addressing people's physical, social and psychological needs.



Livelihoods



We empower people to have more sustainable and resilient livelihoods, and ensure that economic growth is equitable.

The three levers

Information

We enable individuals to access knowledge and information that allows them to determine their own futures and protect and extend their rights.



Systems

We enable communities to access and influence local and global systems, including market, health, financial and government ones.



Environment

We improve environmental resilience by reducing carbon emissions, making renewable energy more accessible to all and supporting communities to adapt to the changing climate in their region.



Exploitation

We combat violence, exploitation and conflict by tackling the root causes, supporting victims and building peaceful futures.



OUR WORLD

Between April and December 2021...

We directly reached

3,011,766

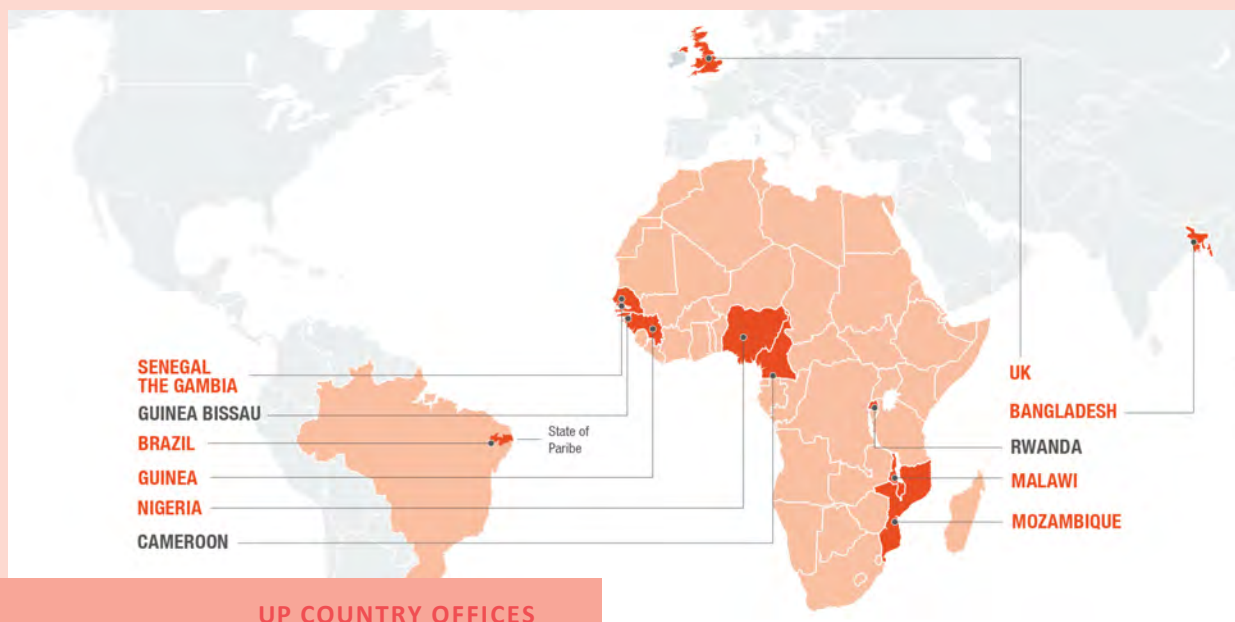
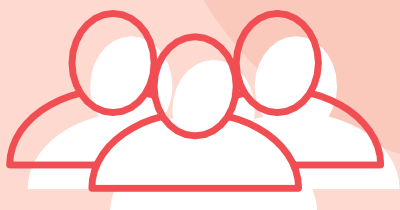
people

...and

indirectly reached an additional

10,744,928

people



**UP COUNTRY OFFICES
PARTNER PROGRAMMES**

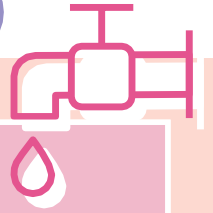
IN NUMBERS



Livelihoods

We helped
1,490,630 people
to establish or strengthen their
businesses

We provided **69,341 people**
with microfinance loans



Health

We provided
363,788 people
with access to safe water

We supported
48,374 people
to receive primary healthcare.



Environment

We planted **230,128 trees**

We supported
29,447 people
to access electricity from
renewable energy

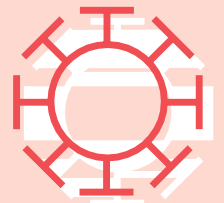


Exploitation

We delivered **75 workshops**
between communities and local
government

We engaged and empowered
2,047 young people
through sport

COVID



We provided
**649,929 food
and hygiene kits**
to people affected by COVID-19

We produced and
distributed **270,991**
cloth facemasks



Stories from our work...

On the following pages, we present some highlights from our work in 2021 under our four change objectives: livelihoods, health, environment and violence/exploitation. We also feature key achievements from our humanitarian and COVID response work.



LIVELIHOODS

We have built a wealth of knowledge and expertise in improving livelihoods, particularly in poor rural communities, during the past 40 years. We promote livelihoods that can adapt to the demands of a changing climate, with a particular focus on economically empowering women. Between April and December 2021, for example, we supported approximately 68,312 women to increase their incomes and helped approximately 1,490,629 people to establish or strengthen their businesses.

BRAZIL

Building up women's businesses

In Paraiba, Northeast Brazil, opportunities for women to access business training are limited. The impact of COVID-19 on local markets was a challenge to many small businesses, which had to adapt to survive.

The 'Marinas do Abiaí' group of 12 women was set up in 2010 to support income generation opportunities for women in the community. The group has small plots to grow vegetables and fruit for food for themselves and their families, with any excess sold in local markets.

During the COVID-19 pandemic, as markets were closed, some 40 per cent of the group's cassava crop was being wasted. To resolve this, they started milling it to make flour. This is a very desirable product in the country, used to make tapioca, a pancake-like product that has indigenous origins.

Creative business opportunities

Working together to purchase a small grinder, the group secured new clients and began to sell their product in farmers' markets, increasing their collective income by 50 per cent. Seeing the potential to expand and grow, they also started an online campaign to raise funds of £1,000 from private donations and local government. The project also supported the group with a 'rotating fund', a small fund wholly owned and managed by the group to use as working capital or for other needs, part of which they intend to use for the mill-house.

Left: 31-year-old Midrete lives in a small rural community in Mozambique, with her husband and four children. Since attending United Purpose training on climate-smart farming practices, her small farm has become a more viable business. She says: "Now my productivity has improved and I can sell my produce in other markets and make a decent price."

Meet Maria

Maria, 50 years old, is a member of the 'Marinas do Abiaí' women's business group. She said:

"The meetings were great and helped to motivate us. As part of the project, we would meet to talk about our needs and the difficulties we face as women and this helped a lot. The project educators also urged us to exercise to improve our health which was great and we also discussed how we could reuse and make the most of our products, like making flour from the cassava. This meant we could get a better price, which was great, as before this we were often not even covering our expenses."



CONTEXT: United Purpose worked with the group to help its members access the equipment, utensils and materials they needed to develop their businesses. With funding from Penny Appeal, we delivered training in business management and planning, and supported them to develop a logo to promote their business. Funding from Electric Aid paid for the bulk of the flour mill construction and the equipment needed.

HEALTH

Improving health in the communities where we work is a key focus of ours. Whether it is installing water pumps and training locals how to maintain them, or promoting good nutrition practices, we support people with the tools and resources to make informed choices and lead healthier lives. Between April and December 2021, we provided 363,788 people with access to safe water and supported 48,374 people with access to primary healthcare.

THE GAMBIA

Supporting mothers and babies to become nutrition secure

The challenge

In recent years, The Gambia has experienced an alarming increase in malnutrition, with acute malnutrition at 10.3 per cent and 23 per cent of children stunted or small for their age (World Food Programme). The country only produces half of the food it needs, and food production is highly vulnerable to climate-related issues, such as droughts and floods. Lack of nutritious food, and knowledge about nutrition, is a big challenge – especially for mothers, which results in critical deficiencies in children.

Our response

Our nutrition project is tackling these issues head-on by working with smallholder farmers across The Gambia to produce more resilient and nutritionally diversified crops. We have also established 120 Mother Clubs to improve the health of babies and young children in rural areas. Each week, the clubs hold cooking demonstrations to expand the knowledge of local mothers in how to prepare nutritious, bio-fortified food.

CONTEXT: The EU-funded project, ‘Reducing micronutrient deficiency of women and children through sustainable and integrated approaches to food fortification’, began in 2017 and has been instrumental in increasing crop production and a variety of bio-fortified foods for farmers and households alike. With significant impacts on nutrition, value chain addition and market interaction, this project is contributing to increased nutrition security across The Gambia.

Meet Mai and Amadou

Mai adopted her son, Amadou, when he was six months old and his birth mother passed away. At the time, she was breastfeeding her own both and didn’t have enough milk to satisfy both. Mai’s only option was to take Amadou to her local Mother Club and learn how to feed this vulnerable baby through the weekly cooking demonstrations.

Amadou is now a happy, healthy two year old – but his story could have ended very differently without the support of the Mother Club.

“I learned how to prepare wholegrain bio-fortified pearl millet porridge to feed Amadou,” Mai says. “This helped me a lot. If not for the knowledge and support of the Mother Club, he would have been malnourished.”



ENVIRONMENT

The world's poorest countries are paying the highest price for climate change. We help communities cope with the changing climate in their region, by adapting how they live and work and by providing facilities to help them become more resilient to these changes. Our environment work also tackles energy poverty, and between April and December 2021 we enabled **29,447** people to access energy from renewable sources.



Above: Illegal deforestation is a huge problem in Senegal. Since 2018, our EU-funded project in the Casamance region has led to the reforestation of 100,000 trees, as well as fewer forest fires and the creation of 'green jobs'. Image copyright: Jason Florio.

MALAWI

Clean power to the people

The challenge

The National Grid in Malawi only reaches 12 per cent of the population. The problem is worse in rural areas, where only 3 per cent of households have access to electricity. In total, nearly 16 million people in Malawi live without access to electricity, dramatically hindering social and economic development.

Our response

We are working in partnership with the University of Strathclyde to develop a financially and environmentally sustainable village-scale electricity access. Together, we have developed Malawi's first smart-metered, solar-powered microgrid for Mthembanji village – a comparatively low-cost, simple solution to energy poverty in rural Malawi.



Matilda's story

Matilda (pictured below) is a young mother living in Mthembanji village. Explaining the difference that access to reliable electricity has made to her family's life, she said:

"Beforehand we only had one torch, which we had to share between the kitchen and at the same time for the children to be able to study. It was really hard for the children to do well at school and sometimes it was a decision to use the money for batteries or to buy food for the children."

"But my life changed when the electricity arrived because it's used for lighting in the house. My children can now study and the outside bulb protects us from thieves. The children are now doing so well at school because they are able to study."

CONTEXT: The Rural Energy Access through Social Enterprise and Decentralisation (EASE) project is funded by the Scottish Government's Malawi Development Programme. It builds on the longstanding partnership between United Purpose and the University of Strathclyde. The project focuses on marginalised rural communities in Balaka and Dedza Districts. It addresses energy challenges using a community-centred approach to deploy holistic, sustainable solutions to the complex energy challenges experienced in these communities, specifically by deploying microgrids, energy hubs, and district energy officers. Through this project, UP is supporting the Government of Malawi to achieve its 2030 target of sustainable energy for all.

EXPLOITATION AND CONFLICT

Many of the communities we work with are fractured and fragile, and experience increasing levels of inequality. We work against violence and exploitation, especially those directed at women and children. We support survivors, and place a big emphasis on empowering communities to understand and uphold their rights. Between April and December 2021, we trained 12,562 people in advocacy skills and engaged 2,047 young people through sport.

GUINEA

Fighting FGM in Guinea

The challenge

Female genital mutilation (FGM) is a common practice in Guinea. Approximately 94.5% of girls and women aged 15-49 in this small African country have been cut (source: 28 Too Many). FGM has serious health consequences, ranging from death, serious injury and infection to sexual dysfunction and difficulties during childbirth.

Dr Angela Dermine is a medical doctor in charge of UP Guinea's public health programmes. She says: *"My hope is that the people we reach will be strong voices against the practice in their community. I hope that young girls will no longer simply accept these practices as part of their culture – and, if they face family pressure, that they will know where to go for assistance. Also, that the young men we reach will protect their sisters, daughters and nieces."*

Our response

Our project aimed to reduce incidences of FGM and strengthen its prohibition in Beindou District, with the support of the British Embassy. We reached 2,000 community members with important messages through educational sessions and door-to-door awareness raising.

HUMANITARIAN

Our approach to humanitarian work is based on responding to situations where we can make the biggest difference. We focus on areas where we already have strong relationships with communities and local authorities, which enables us to respond more quickly and effectively. Unsurprisingly, in 2021, our emergency response work focused on helping communities overcome COVID-19.

WEST AFRICA

We delivered a rapid emergency response to COVID-19 in Nigeria, Guinea, The Gambia and Senegal. These countries are among the poorest in the world and they are ill-prepared to cope with COVID-19 due to a combination of weak national healthcare systems, poor basic sanitation facilities, densely populated communities, and an absence of welfare support

systems. Our project had three strands: (i) healthcare and COVID-19 prevention; (ii) hygiene information needs and overcoming vaccine skepticism; (iii) rebuilding the economy and promoting resilience of the informal sector.



Snapshots from the project

- Midwife Christine Sylla, aged 27, examines her pregnant patient at the health centre in Beindou, Guinea. Christine is one of 80 health workers in Guinea to receive COVID-19 prevention training from United Purpose.
- DJ Ditz, a musician and community activist, waves from a minibus. This is a typical mobile street pop-up that United Purpose used to bring vital information about COVID-19 to hard-to-reach communities in Nigeria.
- Aissatou Cisse is a fruit and vegetable seller in Dhaka, Senegal. The pandemic had a huge impact on her business because street markets were banned. Aissatou turned to her local women's collective for financial help, which United Purpose supported.
- Sally Jarjou tends to her crops in Kassange, The Gambia. As a result of the project, she and others in her community have additional income from producing extra crops and report improved health for their family.

CONTEXT: The project was funded by the Welsh Government. It reached 4.4 million people through a combination of mass awareness campaigns and focused training sessions. There was also a public engagement component in Wales, comprising of three multimedia exhibitions and the creation of a suite of education resources aligned with the new curriculum.



Left: The community gathers for a weekly cooking demonstration in Jendeh village, The Gambia, where United Purpose supports young families to eat nutritious food, making them more resilient to illnesses like COVID-19.

Strategic report: Structure, governance and management

The trustees present their report and the audited financial statements for 1 April 2021 – 31 December 2021. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

United Purpose is a charitable company limited by guarantee, with registration number 1278887 and charity number 272464, renamed from Concern Universal in November 2016. It was incorporated on 27 September 1976 and established under a memorandum and articles of association (subsequently updated by special resolution in November 2003 and October 2019), which set out the objects and powers of the charitable company.

On 5 August 2021, United Purpose merged with Gorta, a like-minded organisation head-quartered in Ireland that trades as Self Help Africa. The leadership of United Purpose transferred to Ray Jordan, as Group CEO, and Carmel Fox as Group Chair of Gorta. Gorta is registered in Ireland; its company registration number is 28228 and its charity number is 20008895. Three of United Purpose's directors have remained on the UP Board to ensure continuity, and they have been joined by three directors from Gorta and one independent director. In accordance with the merger agreement, United Purpose remains a separate legal entity as a wholly owned subsidiary of Gorta.

Structure and Governance

United Purpose is a movement of people and organisations. In the UK, these organisations include Village Aid, a Derbyshire-based fundraising charity. There is also United Purpose Trading, a vehicle for our carbon initiative where we sell carbon credits generated through our development projects. Our movement also includes CUMO, a Malawi-based microfinance organisation that was set up in 2000 with a grant from UK Aid.

United Purpose's central office in Cardiff plays a support role to our eight country offices and leads on: global strategy development and delivery; governance; organisational funding, communications and public affairs efforts, as well as financial management and planning.

We have a devolved structure, with our eight country offices taking the lead on country strategy

development (under the umbrella of our Global Strategy), programme delivery and management, grant fundraising and managing relationships with partners and donors. Our country offices are currently located in Bangladesh, Brazil, Guinea, Malawi, Mozambique, Nigeria, Senegal and The Gambia. We deliver projects directly, through our partners and/or through an advisory role with partners. We also operate across borders in near neighbours of our country programmes – for example, in Cameroon.

We work in partnership with many organisations because we believe sustainable change will only happen when we harness the collective knowledge, skills and resources of a wide range of actors – starting with community-level partnerships. We carefully consider the experience, reach and governance of potential partners, as well as the value they will add to our work. We closely monitor how grants are spent.

We also manage projects through local partners in countries where we do not have a UP office, including Kenya and Rwanda.

The charity's trustees are appointed as directors of the company and are also its members. The trustees have no beneficial interest in the charity. The trustees of United Purpose govern the charity's activities and are legally responsible for the overall control of the charity and for ensuring it is properly managed.

The trustees delegate responsibility for the day-to-day running of the charity to the CEO, who reports directly to the Board and manages the execution of the strategy as directed by the Board. The CEO is assisted by a Senior Leadership Team comprising of those who have responsibility for programmes, external affairs, finance and operations. From 1 April to 4 August 2021, the CEO was Linda Edwards. Ray Jordan, CEO of Gorta, stepped into this role and took over from Linda on 5 August 2021.

All trustees give their time voluntarily and receive no benefits from the charity. The trustees who served during the year are listed on page 2.

The trustee report has been written for the financial year 1 April – 31 December 2021. Due to the merger with Gorta happening in the middle of this time period (5 August 2021), some practices outlined in this report have changed or are in the process of being changed.

Trustee recruitment and appointment

United Purpose recognises that an effective Board of trustees is essential if the charity is to achieve its objectives. Individual trustees must have sufficient knowledge, both of trusteeship in general and of the

charity's activities, to enable them to carry out the role and to represent the charity at meetings and other events.

The existing trustees are responsible for recruiting new trustees, although specific administrative tasks may be delegated by the Board to the CEO and Senior Leadership Team. The minimum number of trustees is set at no less than three and the maximum number at no more than 11.

Efforts to recruit new trustees take into account any recent skills audits and gaps in skills or experience that have been identified, and specific roles or duties that need to be undertaken. When the ideal profile of skills and experience has been identified, a recruitment plan is formulated. United Purpose seeks to ensure diversity in its Board of Trustees as well as in its staff base, and consideration will be given to ways in which groups that are underrepresented on the Board might be reached and encouraged to apply.

Trustee induction and training

New trustees undergo an orientation to brief them on their legal obligations under charity and company law, and Charity Commission guidance on public benefit and safeguarding. The training also informs them of the content of the memorandum and articles of association, the decision-making processes, the strategic plan and recent financial performance of the charity. During the induction, they meet employees and other trustees. Trustees are encouraged to attend appropriate external training events that will help them in their role.

Related parties and relationships with other organisations

All trustees and key management personnel are required to disclose any parties and conflicts of interest. There were no transactions with any other related parties during the year and none of the charity's trustees receives remuneration or other benefits from their work as a trustee.

United Purpose has three wholly owned subsidiaries – United Purpose Trading, which sells carbon credits, Village Aid, a fundraising charity supporting projects in West Africa and CUMO, a microfinance organisation in Malawi.

Public benefit

Trustees of United Purpose have a duty to report in the Trustees' Annual Report on the charity's public benefit. Each year, the trustees review the aims, objectives and activities of the charity. In this report, they demonstrate:

- The benefits generated by the activities of the charity. This report explains how United Purpose's activities meet the goals of its Global Strategy, and highlights the types of programmes that are funded and reports on the number of people it reaches.
- The benefits are closely aligned with the charity's objectives. Each area of United Purpose's work – health, livelihoods, climate and conflict – works towards the charity's broad vision, which is 'A world where justice, dignity and respect prevail for all'.
- The people targeted by United Purpose's interventions receive the support they need. Wherever possible, we seek the views and opinions of people living in poverty on the design and implementation of our programmes. This ensures that our programmes take into account people's assessment of their own needs, and bring positive and measurable changes to people's lives.
- The trustees are confident that United Purpose meets the public benefit requirements, and they confirm that they have taken into account the guidance contained in the Charity Commission's general guidance on public benefit.

Management

Prior to the merger, from 1 April to 4 August 2021, our Global Programmes team operated in a 'Cluster' model. Our Senegal country programme led the West Africa/Brazil cluster, while our Mozambique country programme led the southern Africa/Asia cluster. The cluster model aimed to: share learning between country programmes; identify critical priorities and support needs; create networks with regional donors and advocacy networks; and strengthen global representation at Senior Leadership level.

After the merger, the management model changed.

Since the merger, the organisation's management model transitioned to a regional structure, which sees a Regional Director providing support and guidance to Country Directors.

The UK team's focus remains on streamlining United Purpose's operations to focus on fundraising, communication, human resources and finance. Staff working in these respective teams have integrated into the equivalent teams in Self Help Africa.

Remuneration policy for key management personnel

The key leadership of the charity includes the trustees and the CEO, who manages the charity on a day-to-day basis.

All trustees give their time freely and receive no fees or remuneration for serving as a trustee of UP. The charity reimburses reasonable expenses incurred while acting as a trustee. This includes travel and accommodation expenses required to attend meetings, training and orientation. Every effort is made to ensure costs are modest. Details of trustees' expenses and related party transactions are disclosed in the accounts.

In deciding appropriate pay levels, UP aims to strike a balance between paying enough to recruit and keep skilled people, and meeting the public's and our donors' expectations that the money they entrust with us is used wisely. In setting the CEO's salary, the Board considers the skills and experience required for the role. They have taken independent advice to inform those judgements, as well as taking into account affordability for the charity. The CEO's salary is normally reviewed annually.

Strategic report

Overview

The continuing COVID-19 pandemic and the end of several high-scale programmes meant the organisation carried out fewer activities in 2021, with programme expenditure reduced to £8.9m (2020-21: £19.7 m) and the number of people directly reached: 3 million (indirectly: 10.7million). Unrestricted reserves decreased during the period by £0.6m.

This year, through our programmes, we directly reached 3,011,766 people and another 10,744,928 people indirectly. As in 2020, this significant indirect reach is a result of our mass COVID-19 campaigns, largely in West Africa, which encouraged vaccine uptake and aimed to raise awareness about ways to prevent the spread of the virus. Please refer to the table below for more information about the number of people we reached between April and December 2021:

Country	No. of people reached directly	No. of people reached indirectly
Bangladesh	264,260	792,780
Brazil	4,296	17,184
Mozambique	121,948	731,688
Nigeria	633,276	1,164,248
Senegal	872,088	3,488,352
The Gambia	96,048	288,144
Guinea	5,022	202,500
Malawi	1,015,008	4,060,032
GRAND TOTAL	3,011,946	10,744,928

The COVID-19 pandemic has impacted United Purpose and the NGO sector as a whole, both in the short and long-term. It has disproportionately affected people living in poverty in low-income countries, who UP exists to serve and who will be dealing with the ripple effects of the pandemic for years to come.

The trustees followed a risk-based approach to analyse the evolving situation around COVID-19 and to enable us to transition through the immediate and critical challenges that the pandemic presented.

Throughout 2021, we continued to support national COVID-19 responses. We delivered mass communication campaigns on preventing the spread of the virus and encouraging vaccine uptake, as well as supporting small business owners in the informal sector to rebuild their businesses in the wake of the pandemic. We also continued to promote health and

wellbeing sessions for staff and implemented flexible and COVID-safe office work arrangements. Specifically, we installed 3,653 new handwashing stations across our programmes between April and December 2021, provided 649,929 food and hygiene kits to mitigate any immediate impact on the most vulnerable, and we supported women's groups to produce and distribute approximately 270,991 cloth face masks.

Throughout 2021, the health and safety of our staff, partner staff and communities where we work around the world remained a paramount focus. We are also continuing to flex and adapt our programmes to support national efforts to recover from the economic fallout of COVID-19 on vulnerable populations in our programme countries.

Financial review

Our goal is to effectively manage our finances to ensure that we are best placed to deliver quality and impactful programmes.

During the nine-month reporting period (April-December 2021), the income of United Purpose decreased by 55 per cent comparing with the 12 months of April 2020-March 2021, from £19.7m to £8.9m, following a 6 per cent increase in 20/21. Expenditure reduced by 44 per cent from £18.7m to £10.5m, following an increase of 6 per cent in 20/21.

Overall, this led to a negative movement in fund in 2021 of £1.6m compared to a positive movement of £1.1m in 20/21. The Gorta Group have provided a letter of support in light of the decline in reserves. A full breakdown of reserves is provided in the accounts.

Reserves policy

The purpose of the Reserves Policy for United Purpose is to ensure the stability of the mission, programmes, employment and on-going operations of the organisation. Our reserves are intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The reserves may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, innovation, or investment in

operations efficiencies. The reserves are not intended to replace a permanent loss of funds or eliminate an on-going budget gap. It is the intention of United Purpose for the reserves to be used and replenished within a reasonably short period of time. The Reserves Policy will be implemented alongside other governance and financial policies of United Purpose and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

The target amount of unrestricted reserves (excluding designated reserves) is £1 million, which is based on considerations of a range of risks including foreign exchange fluctuations, working capital requirement for projects and investments in line with United Purpose's strategy and programme philosophy.

As an integral part of our Reserves Policy, we recognise the value of carbon units to the organisation, both in terms of their cash value and their innovative contribution to achieving our mission. The organisation holds Gold Standard carbon units, generated through our water and livelihoods programmes in Malawi. Carbon credits can be sold to cover the cost of their generation including related obligations to the source communities. Any surplus may then be treated as unrestricted income.

Going concern

The trustees fully recognise their responsibility to assess the going concern basis of the charity and have a reasonable expectation that United Purpose will be able to operate within the level of its resources for a period of at least 12 months. Although general funds are negative this has been recognised by the Gorta Group and a letter of support has been provided. This assessment is based on a thorough examination of project balances, group income and cash projections. Therefore, trustees continue to adopt the going concern basis in preparing the annual financial statements. The trustees believe that there is no material uncertainty about United Purpose's ability to continue as a going concern.

Fundraising statement

Our fundraising team, based in our Cardiff office, has integrated into the fundraising team at Self Help Africa since the merger. Throughout 2021, the team focused on the following priorities:

- Integration of data, systems and processes with Self Help Africa;
- Improving systems and processes to become more effective at managing the income we currently generate;
- Ensuring best practice in the stewardship of our current donors.

All fundraising activity has been undertaken in line with the Fundraising Code of Practice set by the Fundraising Regulator, of which we are a member. We do not pay for the services of third-party commercial organisations to raise funds in United Purpose's name, nor do we engage in cold-calling, door-to-door or street fundraising. During 2021, we did not have a relationship with any commercial participants. No complaints were received by the charity regarding any fundraising activities.

Managing risk and uncertainty

United Purpose operates in an ever-changing context, both in the UK charity sector and fragile geographies with local communities. Working within this unstable environment and simultaneously protecting the

vulnerable people we often engage with, as well as the charity's assets, presents many challenges.

Managing risks effectively is central to the achievement of our strategic goals and is overseen by the Board. The Board has established a formal risk management process and internal control framework to ensure the proactive and consistent management of risks, both to reduce negative impact of risk and maximise strategic opportunities. This process involves a risk strategy to share an agreed attitude and organisational capacity for risk, a risk governance structure to oversee the risk management process and a risk implementation approach to analyse and manage risk.

The risk management framework at United Purpose is designed to address uncertainty as part of decision making, as well as ensuring that any new or subsequent risks can be taken into account. The framework helps to identify, assess and control risk across the organisation, summarised in a risk register.

The trustees periodically review the key strategic risks to ensure that they are the right ones and that they are being managed appropriately. The trustees have agreed a risk appetite statement that both sets the tone and addresses the challenge of the gap between exposure to risk and the organisation's ability to accept the risk.

United Purpose faces some inherent risks resulting from the locations we work in and the way projects are delivered. Security risks are mitigated by undertaking safety and security reviews in each country, by maintaining insurance cover and by ensuring staff and volunteers receive training in safety and security relevant to the programmes where they are being inducted.

The key risk areas and responses have emerged from this risk management process:

(See table on p28)

Our risks evolve over time and as we progress our strategy, new risks emerge and we update our risk areas and adjust our mitigation activities accordingly.

Risk area	Impact	Mitigation
Programme funding	Downward pressure on income due to changes in priorities within the global aid programme and a more challenging environment for public donations.	Review systems currently in place (in countries and globally) for monitoring new opportunities. Avail of services of Programme Funding Team to grow institutional income, including trusts and foundations. UP and Gorta pipeline integrated and monitored on an on-going basis.
Internal financial controls	Insufficient controls could expose the organisation to financial mismanagement and donor compliance breaches.	Robust financial control framework, training and guidance process in place for each Country Programme. Budget in a format allowing quarterly/monthly updates to track progress against actuals and forecasting. Monthly reporting in all country programmes, detailing core and project results on a spreadsheet system. Additional financial rigour emanating from merger with Gorta.
Cash flow	Insufficient cash to cover business plan expenditure.	Cash flows from Country Programmes reviewed on a regular basis, with any significant changes flagged immediately. Local cash flows reviewed weekly to plan and authorise payments and monitor expected income. New monthly cash request protocols instituted since Gorta merger.
Fraud and bribery	A major fraud or bribery resulting significant financial or reputational damage.	Zero-tolerance approach to fraud and bribery, rolled out through robust policies and procedures. Internal audit roles are recruited in larger country programmes. Gorta's HQ internal audit team adds an additional layer of security.
Safeguarding	Staff and partner staff not adequately protected. Only a small number of concerns raised.	Regular training on UP's safeguarding policy. Support to wellbeing and safeguarding committees at different levels of the organisation.
Security	Higher security risk due to staff not being adequately trained.	In-country security training is available. Most security training will need to be factored into budgets, in particular in countries where risk rating is high. Security training for visitors also. Gorta have a dedicated security focal point and a global WhatsApp security group.
Integration	Integration process may not deliver on merger potential.	Integration Manager appointed. Additional resources employed in safeguarding, logistics / procurement, Finance and HR. Sessions to be scheduled on transition to Salesforce and change in policies.
Price Hikes	Increase in prices across many areas may affect our ability to deliver on projects.	Country Programmes have been asked to look at a risk mapping in relation to price hikes to plan ahead. Consider inflation in annual remuneration review process.
COVID-19	Staff and partner staff not adequately protected for project implementation. Project implementation discontinued. Additional costs required not covered by donors. Loss of income and overhead recovery.	In relevant countries provide Covid-19 prevention awareness sessions and mental health support sessions to ensure all staff have the right information about Covid and how to access medical treatment and vaccines. Identify possibility of adaptation of project activities as necessary. Where not possible to deliver current contracts, agree new approach and timeline with donors. Review project information regularly, with a special emphasis of project cash flows.

Safeguarding

We do not tolerate sexual exploitation or any form of abuse, including bullying and harassment. They are extremely serious issues and our commitment to protect the people we work with from harm applies without exception across our programmes, people and partners.

Three years ago, United Purpose underwent a period of reflection and self-assessment, which resulted in an updated set of policies and procedures to strengthen our safeguards against abuse and to enable reporting if it happens. Last year, we continued to drive improvements through: (i) improving systems; (ii) strengthening our culture; (iii) putting learning at the heart of our approach; (iv) working with partners to reciprocally strengthen our commitment to safeguarding.

We recognise that safeguarding is so much more than a set of policies and procedures. It is implicit in everything we do, from how we speak to community members and individuals, to how much staff exert their power over vulnerable communities who need our support. It involves understanding power dynamics, recognising how our presence in communities changes such dynamics, and knowing what we must do to ensure this power is never abused.

If you have any concerns about the health, wellbeing, survival or dignity of a person in our care, please share with our confidential safeguarding committee at concerns-uk@united-purpose.org.

Plans for the future

As explained in this report, as of 5 August 2021, United Purpose merged with Gorta (trading as Self Help Africa) and the leadership of United Purpose transferred to Ray Jordan, as Group CEO, and Carmel Fox as Chair of Gorta. The reasons for this merger are outlined below, and also provide a framework for our future plans.

Both United Purpose and Gorta have a proud history of assisting those in greatest need. For decades, we have helped marginalised communities to take greater control over their own lives, by providing lasting solutions, be that by helping them to earn more from their work, sustainable WASH or social accountability

interventions. On an annual basis, our combined programme activities reach more than 6 million people. But our world is changing rapidly. The challenges that lie ahead are significant and we will have to adapt quickly if we are to overcome them.

Across Lower Income Countries, a combination of population growth, climate change and lasting effects of the pandemic threatens the economic gains that have been made over the last three decades.

COVID-19 continues to take a toll on African lives and has pushed up to 40 million people into extreme poverty (World Bank, 2021). Women and youth working in the informal labour market are the most affected groups, as they lack access to social safety nets and income opportunities. Addressing these complex development challenges will be at the heart of our merged organisation's future plans.

The challenges are no less complex in lower middle-income countries such as Bangladesh, which faces enormous pressure from population growth and climate change – as well as COVID-19-related grave and disproportionate impacts on marginalised groups. Even in a middle-income economy such as Brazil, there are compelling reasons to work in communities at the margins of society. However, while there has never been a greater demand for the work that we do, we are also being challenged to transform the way we do business. The traditional funding streams, based on a strong foundation of individual charitable giving, are no longer able to cope. Public fundraising will continue to play an important role in our revenue mix but real growth is only likely to be achieved by increasing both institutional donor support and service income.

Institutional donors demand higher standards of compliance, of accountability and of transparency. Future success will be defined by how well our systems can track every pound or euro, right through to its intended outcome, to show we have delivered what we were contracted to do. Social enterprise models will be an increasingly important part of our future. Mobilising service and trading income – whether from the sale of carbon credits or the provision of ethical audits – is a part of our unrestricted funding mix. We must continue to invest in this area to set stronger foundations for our future.

To continue delivering on our missions in support of the poorest communities in Lower Income Countries, United Purpose, Self Help Africa and the other

members of Gorta need to evolve. Our combined resources – of funding, of personnel, of experiences – will be blended to create an entity that is greater than the sum of our parts.

The Board of Village Aid decided at the November AGM to wind down the charity in 2023.

Statement of responsibility of trustees

The trustees (who are also directors of United Purpose in company law) are responsible for preparing the trustees' annual report, including the strategic report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP acted as the charitable company's auditor during the year. The trustees' annual report, which includes the strategic report, has been approved by the trustees on 15 December 2022 and signed on their behalf by

Mary Robinson
Chair

Auditors, banks and solicitors

Standard Chartered Bank 1 Aldermanbury Square London EC2V 7SB
020 7280 7500

The Royal Bank of Scotland Maidstone Branch,
94 High Street, Maidstone, Kent ME14 1SA
016 2269 1333 or 01432 357264

Geldards LLP Dumfries House Dumfries Place Cardiff CF10 3ZF

Sayer Vincent Invicta House
108-114 Golden Lane London EC1Y 0TL

BOARD OF TRUSTEES (as at 31 December 2021)

Mary Robinson (Chair) Hadi Husani Catherine Cottrell Carmel Fox
Dervla Owens Michael Gormley Catherine Fitzgibbon

Three of the trustees (Catherine Cottrell, Hadi Husani and Mary Robinson) were also trustees at United Purpose before the merger. After the merger, they were joined by three directors from Self Help Africa (Carmel Fox, Dervla Owens and Catherine Fitzgibbon) and one independent director (Michael Gormley).

SENIOR LEADERSHIP TEAM (as at 31 December 2021)

Chief Executive Officer: Ray Jordan Executive Director: David Dalton Programmes Director: Orla
Kilcullen CFOO: Peter McDevitt
Director of Business Development: Martha Hourican

Linda Edwards was appointed Interim CEO on 1 January 2021; she stepped down on 6 August 2021, following the completion of a successful merger with Gorta. Paul Seymour, Finance Director, left UP on 18 June 2021.

Independent auditor's report

To the members of

United Purpose

Independent auditor's report to the members of United Purpose

Opinion

We have audited the financial statements of United Purpose (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 31 December 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

Independent auditor's report

To the members of

United Purpose

on United Purpose's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

Independent auditor's report

To the members of

United Purpose

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and trustees, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent auditor's report

To the members of

United Purpose

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and 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 charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)

16 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

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

United Purpose

Consolidated Statement of Financial Activities (Incorporating an income and expenditure account)

For the period ended 31 December 2021

		31 December 2021				31 March 2021		
	Note	Restricted £	Unrestricted £	CUMO £	Total £	Restricted £	Unrestricted £	Total £
Income from:								
Donations and Legacies	2	1,352	525,372		526,724	48,955	1,552,465	1,601,420
Charitable activities	3							
Livelihoods		5,593,299	73,695	933,460	6,600,454	9,038,080	253,871	11,050,922
Health and Wellbeing		1,437,126	4,262		1,441,388	5,987,437	7,195	5,994,632
Exploitation and Conflict		64,324	-	-	64,324	261,744	-	261,744
Donations in Kind	6	-	-	-	-	19,247	-	19,247
Environment		89,621	-	-	89,621	146,705	-	146,705
Investment income	4	-	-	16,726	16,726	-	-	28,485
Carbon Credits	5	-	161,108	-	161,108	-	669,067	669,067
Total income		7,185,722	764,437	950,186	8,900,345	15,502,168	2,482,598	19,772,222
Expenditure on:								
Raising funds	7	84,704			84,704	247,689	-	247,689
Charitable activities								
Livelihoods		4,309,986	1,555,943	684,811	6,550,740	8,403,884	2,309,526	12,287,432
Health and Wellbeing		3,688,532	-	-	3,688,532	5,820,440	-	5,820,440
Exploitation and Conflict		55,109	-	-	55,109	249,312	-	249,312
Environment		136,700	-	-	136,700	111,120	-	111,120
Total resources expended		8,275,031	1,555,943	684,811	10,515,785	14,832,446	2,309,526	18,715,993
Net outgoing resources before transfers		(1,089,309)	(791,506)	265,375	(1,615,440)	669,722	173,072	1,056,229
Transfers between funds		(181,576)	181,576	-	-	500,506	(500,506)	-
Net movement in funds	22	(1,270,885)	(609,930)	265,375	(1,615,440)	1,170,228	(327,434)	1,056,229
Funds at the start of the period		4,062,776	400,349	1,886,978	6,350,103	2,892,548	727,783	5,293,874
Funds at the end of the period		2,791,891	(209,581)	2,152,353	4,734,663	4,062,776	400,349	6,350,103

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 22 to the financial statements.

United Purpose

Balance Sheets

Company No. 1278887

As at 31 December 2021

		Group		Charity	
		31 December 2021	31 March 2021	31 December 2021	31 March 2021
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	14	<u>719,288</u>	<u>758,828</u>	<u>279,341</u>	<u>361,827</u>
		719,288	758,828	279,341	361,827
Current assets					
Inventory		12,226	1,215	68	1,215
Debtors	17	2,420,492	2,320,092	459,026	848,957
Cash at bank and in hand		<u>3,643,447</u>	<u>5,641,511</u>	<u>3,353,858</u>	<u>5,036,522</u>
		6,076,165	7,962,817	3,812,952	5,886,694
Liabilities					
Creditors: amounts due within one year	18	<u>(2,057,118)</u>	<u>(2,342,554)</u>	<u>(1,629,105)</u>	<u>(1,877,056)</u>
Net current assets		<u>4,019,047</u>	<u>5,620,263</u>	<u>2,183,847</u>	<u>4,009,638</u>
Total assets less current liabilities		4,738,335	6,379,091	2,463,188	4,371,465
Creditors: amounts due greater than one year	19	<u>(3,672)</u>	<u>(28,988)</u>	<u>-</u>	<u>-</u>
Net assets	20	<u><u>4,734,663</u></u>	<u><u>6,350,103</u></u>	<u><u>2,463,188</u></u>	<u><u>4,371,465</u></u>
Funds					
Restricted funds		2,736,084	4,008,321	2,736,084	4,008,322
Restricted funds Held by Village Aid		<u>55,807</u>	<u>54,455</u>	<u>-</u>	<u>-</u>
		2,791,891	4,062,776	2,736,084	4,008,322
Unrestricted funds					
Designated funds:					
Funds held by CUMO		2,152,353	1,886,978	-	-
Funds held by Village Aid		63,315	37,206	-	-
Other designated funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		2,215,668	1,924,184	-	-
General funds (excluding funds held by CUMO)		<u>(272,896)</u>	<u>363,143</u>	<u>(272,896)</u>	<u>363,143</u>
Total funds	22	<u><u>4,734,663</u></u>	<u><u>6,350,103</u></u>	<u><u>2,463,188</u></u>	<u><u>4,371,465</u></u>

Approved by the trustees on 15 December 2022 and signed on their behalf by

Mary Robinson
Chair

United Purpose

Consolidated statement of cash flows

For the period ended 31 December 2021

Reconciliation of net outgoing resources to net cash flow from operating activities:

	31 December 2021 £	31 March 2021 £
Net outgoing resources	(1,615,440)	1,056,229
Interest	(16,726)	(28,485)
Depreciation	147,857	171,284
Unrealised exchange (gain) on CUMO assets	(13,127)	(9,936)
Loss on disposal of fixed assets	6,449	594
(Increase)/decrease in inventory	(11,011)	17,708
(Increase)/decrease in debtors	(100,400)	408,612
Increase/(decrease) in creditors	(310,752)	(190,130)
Net cash (outflow) / inflow from operating activities	<u>1,913,150</u>	<u>(1,425,876)</u>

	31 December 2021 £	31 March 2021 £
Cash flows from operating activities		
Net cash (used in) / provided by operating activities	(1,913,150)	1,425,876
Cash flows from investing activities:		
Interest	16,726	28,485
(Purchase) of fixed assets	(101,640)	(174,165)
Net cash provided by / (used in) investing activities	<u>(84,914)</u>	<u>(145,680)</u>
Change in cash and cash equivalents in the period	(1,998,064)	1,280,196
Cash and cash equivalents at the beginning of the period	<u>5,641,511</u>	<u>4,361,315</u>
Cash and cash equivalents at the end of the period	<u>3,643,447</u>	<u>5,641,511</u>

1 Accounting policies

a) Statutory information

United Purpose is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address (and principal place of business) is Office 124 (Lewis Street), W2 1st Floor, Wellington House, Wellington Road, Cardiff, CF11 9BEJ.

b) 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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries CUMO Microfinance Ltd, Village Aid Ltd (of which United Purpose is a controlling member) and United Purpose Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. **United Purpose also became the sole member of United Purpose Europe Stichting a Foundation registered in the Netherlands and incorporated on 15 January 2020. The Foundation has not begun to trade and remains dormant and therefore has not been consolidated into these financial statements. United Purpose Europe has now closed.**

The Charity controls United Purpose Ghana, a company limited by guarantee incorporated in Ghana. Accounts for United Purpose Ghana have been prepared and audited in Ghanaian new Cedis for the year ended 31 March 2021. United Purpose Ghana is accounted for as a country programme within United Purpose and therefore its results are fully consolidated into United Purpose's accounts. United Purpose Ghana's operations closed as of 30th September 2020, however the registration has remained open.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

1 Accounting policies (continued)

d) Going concern

The trustees have prepared the accounts on a going concern basis. In reaching the decision the trustees have undertaken a thorough assessment of the financial risks that United Purpose faces. This assessment has included a review of cash flow projections for 12 months following the date of approval, the pipeline of future funding, the expected realisation of carbon credits and financial forecasts for the current financial year. The global pandemic COVID19 reduced the income for the following period, both from fundraising and field activities, but the organisation acted by utilising UK Government assistance and reducing costs, including using innovative methods in achieving its deliverables. It is their belief that the charity has a reasonable expectation of having adequate resources to continue in operation for the foreseeable future (exceeding the next 12 months).

As of 5 August 2021, United Purpose merged with The Gorta Group. The leadership of United Purpose transferred to Ray Jordan, as Group CEO, and Carmel Fox as Group Chair of The Gorta Group. The group is registered in Ireland; its company registration number is 28228 and its charity number is 20008895. Three of United Purpose's directors remain on the UP Board to ensure continuity, and they are joined by three directors from Self Help Africa and one independent.

"The Gorta Group will make funds available to United Purpose for a period of not less than twelve months from the date of approval of the financial statements to enable it to meet debts as they fall due.

The Gorta Group are aware of the potential for United Purpose to have cash deficits of up to £1.6m during the 12 month period up to 31 August 2023, per cash-flow projections. Gorta Group is prepared to support United Purpose to this level and beyond should the need arise.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the cost of livelihoods, health & wellbeing, exploitation and conflict and environmental work undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants payable to partner organisations are included in the Statement of Financial Activities in the year in which they are payable.

j) Allocation of support costs

Resources expended are allocated to the particular 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 on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between charitable activities on the basis of area of literature occupied by each activity.

● Livelihoods	62%
● Health and Wellbeing	36%
● Exploitation and Conflict	2%
● Environment	1%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Livelihoods	62%
● Health and Wellbeing	36%
● Exploitation and Conflict	2%
● Environment	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Items procured under project funding are expensed in the statement of financial activities in the year of purchase.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

United Purpose

Office furniture and equipment: straight line basis at an annual rate of 20%

ICT Equipment: straight line basis at an annual rate of 33.3%

Vehicles: straight line basis at an annual rate of 33.3%

Drilling Rig: straight line basis at an annual rate of 33.3%

Land & Buildings: straight line basis at an annual rate of 5%

Capitalised development costs: straight line basis at an annual rate of 33%

CUMO

Office furniture and equipment: straight line basis at an annual rate of 25%

ITC Equipment: straight line basis at an annual rate of 33.3%

Vehicles: straight line basis at an annual rate of 20%

There are no material differences arising from the different treatment of depreciation within CUMO.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

1 Accounting policies (continued)

s) Transactions in foreign currencies

Transactions in foreign currencies are translated at an average rate. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are taken into account in arriving at the net incoming resources for the year.

t) Taxation

The charitable company is granted exemption from corporation tax as all its income arises from or is applied for charitable purposes. Its subsidiary CUMO is a controlled foreign company, however trading profits of CUMO arise from and are applied to the charitable purpose of providing microfinance loans to clients in rural areas within Malawi living in extreme poverty, to enable them to improve their livelihoods. No portion of CUMO profits passes to United Purpose as parent company. United Purpose Trading Limited (formerly Concern Ltd) donates all profits to United Purpose.

u) Contingent assets

Carbon units, known as Verified Emission Reduction Units (VERs), represent an asset of value to United Purpose and are tradeable. The value of these units is subject to market volatility which is outside of the organisation's control. United Purpose recognises the value of verified but unsold carbon units as a contingent asset. Sale of VERs which are contracted are recorded as assets directly in the balance sheet. Income received from the sale of carbon units is used to contribute to UP's work in support of communities around the world, and it is our intention that a significant proportion will be returned to the communities in which the carbon credits originated. The local communities themselves will decide how they want to spend a proportion of this money. The value of unsold carbon units are considered an integral part of the charity group's reserves policy.

United Purpose

Notes to the financial statements

For the period ended 31 December 2021

2 Income from donations and legacies

			31 December 2021 Total £			31 March 2021 Total £
	Restricted £	Unrestricted £		Restricted £	Unrestricted £	
Committed giving	-	-	-	-	-	-
Legacies	-	-	-	-	-	-
Appeals and collections	1,352	-	1,352	48,955	-	48,955
Cost recovery on grant funded programmes	-	69,877	69,877	-	367,752	367,752
Income from Coronavirus Job Retention Scheme (from UK Government)	-	-	-	-	59,890	59,890
Other grants & donations	-	616,603	616,603	-	1,124,823	1,124,823
Total grants	1,352	686,480	687,832	48,955	1,552,465	1,601,420

3 Income from charitable activities

			31 December 2021 Total £			31 March 2021 Total £
	Restricted £	Unrestricted £		Restricted £	Unrestricted £	
Livelihoods						
Action Aid	-	-	-	164,926	-	164,926
Action On Poverty	64,535	-	64,535	82,860	-	82,860
AGFUND	36,354	-	36,354	-	-	-
Blue Gold	-	-	-	-	-	-
Big Lottery Fund	-	-	-	-	-	-
BRAC	-	-	-	-	-	-
UN	-	-	-	-	-	-
Coca Cola	212,480	-	212,480	470,579	-	470,579
Concern Worldwide	142,902	-	142,902	2,059,637	-	2,059,637
CUMO	-	950,186	950,186	-	1,758,971	1,758,971
SWIFT	-	-	-	-	-	-
ECHO	55,079	-	55,079	-	-	-
ENDEV	83,995	-	83,995	226,320	-	226,320
Electric Aid	-	-	-	-	-	-
ENABEL	56,798	-	56,798	87,453	-	87,453
European Commission	764,172	-	764,172	2,333,811	-	2,333,811
Farmamundi	-	-	-	110,985	-	110,985
Foreign, Commonwealth & Development Office	-	-	-	6,611	-	6,611
GIZ	452,797	-	452,797	627,542	-	627,542
IMVF	-	-	-	-	-	-
International Fertilizer Development Center	164,252	-	164,252	214,536	-	214,536
International Organisation for Migration	306,854	-	306,854	960,613	-	960,613
International Union for Conservation of Nature	95,488	-	95,488	-	-	-
Irish Aid	805,124	-	805,124	-	-	-
ICP – International Potato Centre	(494)	-	(494)	-	-	-
Livelihoods Funds	135,502	-	135,502	117,859	-	117,859
Ministry of Agriculture	-	-	-	-	-	-
Miscellaneous income	517,489	-	517,489	125,098	-	125,098
UNDP	-	-	-	45,127	-	45,127
VIS	-	-	-	-	-	-
Penny Appeal	1,307,341	-	1,307,341	558,015	-	558,015
Palladium International	-	-	-	-	-	-
Swedish International Development Co-operation Aqe	-	-	-	352,733	-	352,733
Swiss Agency for Development and Cooperation	-	-	-	140,707	-	140,707
The One Foundation	170,369	-	170,369	-	-	-
University of Strathclyde	89,857	-	89,857	90,855	-	90,855
Waitrose Foundation	-	5,219	5,219	-	113,297	113,297
Waterloo Foundation	-	-	-	20,698	-	20,698
USAID	132,405	68,476	200,881	229,340	140,574	369,914
World Food Programme	-	-	-	-	-	-
WBC	-	-	-	11,775	-	11,775
	5,593,299	1,023,881	6,617,180	9,038,080	2,012,842	11,050,922

For the period ended 31 December 2021

	31 December 2021 Total £		31 March 2021 Total £	
	Restricted £	Unrestricted £	Restricted	Unrestricted
Environment				
Action Aid	-	-	14,228	-
CEPF	-	-	-	-
CO2 BALANCE	18,272	-	43,218	-
European Commission	71,349	-	-	-
GIZ	-	-	89,259	-
	89,621	-	146,705	-

United Purpose

Notes to the financial statements

For the period ended 31 December 2021

4 Investment Income

CUMO's investment income comprises interest from short-term money market investments entered in to by CUMO. Other investment income is bank interest on current accounts.

5 Carbon Credits

Carbon Credits are considered unrestricted income and recognised as sold.

6 Gifts in Kind (group and charity)

	31 December 2021 £	31 March 2021 £
Concern Worldwide	-	19,247
USAID – AGDIV	-	-
UNICEF –Cyclone IDAI response	-	-
UNICEF COVID Response	-	-
World Food Programme, Foodstuffs for distribution in Malawi	-	-
Total Gifts in Kind	-	19,247

All donations in kind are shown at valuations provided by the donor.

United Purpose

Notes to the financial statements

For the period ended 31 December 2021

7a Total resources expended (current period)

	Charitable activities							31 December 2021 Total £	31 March 2021 Total £
	Costs of raising funds £	Livelihoods £	Health and Wellbeing £	Exploitation and Conflict £	Environment £	Support costs £	Governance costs £		
Staff costs (note 10)	75,686	1,127,302	632,750	7,296	24,840	667,172	65,671	2,600,718	2,886,435
Office costs	9,018	370,533	207,979	2,398	8,165	342,863	29,053	970,008	1,690,974
Transport	–	110,860	62,225	718	2,443	11,063	–	187,309	113,740
Equipment (not capitalised)	–	130,713	73,369	846	2,880	6,011	–	213,819	280,981
Grants payable to partners (note 8a)	–	–	–	–	–	–	–	–	2,442,760
Other project activities	–	4,116,188	2,310,401	26,641	90,701	–	–	6,543,931	11,301,103
Total resources expended	84,704	5,855,597	3,286,724	37,898	129,029	1,027,109	94,724	10,515,785	18,715,993
Support costs	–	636,447	367,881	15,758	7,023	(1,027,109)	–	–	–
Governance costs	–	58,696	33,927	1,453	648	–	(94,724)	–	–
Total expenditure for period ended 31 December 2021	84,704	6,550,740	3,688,532	55,109	136,700	–	–	10,515,785	18,715,993

7b Total resources expended (prior year)

	Charitable activities							
	Costs of raising funds	Livelihoods	Health and Wellbeing	Exploitation and Conflict	Environment	Support costs	Governance costs	31 March 2021 Total
	£	£	£	£	£	£	£	£
Staff costs (note 10)	205,187	1,041,314	601,903	25,782	11,491	845,618	155,140	2,886,435
Office costs	42,502	807,327	466,653	19,989	8,909	317,245	28,349	1,690,974
Transport	-	63,497	36,702	1,572	701	11,268	-	113,740
Equipment (not capitalised)	-	136,693	79,011	3,384	1,508	60,385	-	280,981
Grants payable to partners (note 8a)	-	518,182	1,773,052	143,025	8,501	-	-	2,442,760
Other project activities	-	8,841,753	2,355,232	33,805	70,313	-	-	11,301,103
Total resources expended	247,689	11,408,766	5,312,553	227,557	101,423	1,234,516	183,489	18,715,993
Support costs	-	764,967	442,168	18,940	8,442	(1,234,516)	-	-
Governance costs	-	113,699	65,720	2,815	1,255	-	(183,489)	-
Total expenditure for year ended 31 March 2021	247,689	12,287,432	5,820,440	249,312	111,120	-	-	18,715,993

United Purpose

Notes to the financial statements

For the period ended 31 December 2021

8a Grants payable to partners (current period)

	Livelihoods £	Health and Wellbeing £	Exploitation and Conflict £	Environment £	31 December 2021 Total £	31 March 2021 Total £
Bangladesh	-	970,390	-	-	970,390	1,561,057
Brazil	-	-	-	-	-	14,730
Gambia	204,273	157,669	-	-	361,942	485,958
Kenya	-	-	125,125	-	125,125	125,125
Nigeria	-	-	-	-	-	255,890
Total resources expended	204,273	1,128,059	125,125	-	1,457,457	2,442,760

8b Grants payable to partners (prior year)

	Livelihoods £	Health and Wellbeing £	Exploitation and Conflict £	Environment £	31 March 2021 Total £
Bangladesh	249,895	1,311,162	-	-	1,561,057
Brazil	3,766	-	10,964	-	14,730
Gambia	264,521	206,000	6,936	8,501	485,958
Kenya	-	-	125,125	-	125,125
Nigeria	-	255,890	-	-	255,890
Total resources expended	518,182	1,773,052	143,025	8,501	2,442,760

8c Analysis of grants paid in excess of £50,000

	31 December 2021 Total £	31 March 2021 Total £
Bio Fortification – The Gambia	137,200	157,598
GAIN – Bangladesh	73,977	173,315
Go Echo – The Gambia	-	93,866
IDF – Bangladesh	204,982	336,185
HELVETAS – Bangladesh	471,173	911,302
MMS – Bangladesh	-	-
MTG – Kenya	42,910	125,125
NEMA HORTICULTURE – The Gambia	-	-
PRFFHC – Gambia	-	-
PRGWER – Nigeria	-	23,328
PRLOG – Nigeria	-	54,177
PROBA – Nigeria	-	44,788
PRWASDA – Gambia	-	-
SMKK – Bangladesh	-	-
Tekki Jiggen – Gambia	16,877	59,364
Mangrove – Senegal	53,359	-
Waitrose – Gambia	59,482	-
WASDA – Gambia	397,497	-
Grants under £50,000	-	463,712
Total	1,457,457	2,442,760

Notes to the financial statements

For the period ended 31 December 2021

9 Net outgoing resources for the year

This is stated after charging:

	31 December 2021 £	31 March 2021 £
Depreciation	147,857	171,284
Trustees' indemnity insurance	7,887	6,033
Trustees' expenses	20	36
Loss on disposal	-	-
Auditors' remuneration:		
▪ UK group accounts audit fee	43,200	27,000
▪ Audit – Donor audits	-	-
Operating lease rentals:		
▪ Property	212,999	260,965
▪ Other	1,259	1,259
	212,999	260,965
	1,259	1,259

The number of trustees receiving expenses was 1 (year ending 31 March 2021: 1). Remuneration received by trustees was 0 (year ending 31 March 2021: Nil). Trustees expenses covered travel and accommodation costs incurred in attending trustee meetings, training costs and travel costs incurred visiting Country Programmes.

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	UK and International £	Overseas £	31 December 2021 £
Salaries and wages	719,004	1,783,649	2,502,653
Redundancy and termination costs	-	-	-
Social security costs	60,249	-	60,249
Pension contributions	23,841	-	23,841
Other staff costs	5,435	8,540	13,975
	808,529	1,792,189	2,600,718
			2,600,718
	UK and International £	Overseas £	31 March 2021 £
Salaries and wages	1,076,627	1,672,482	2,749,109
Redundancy and termination costs	9,415	-	9,415
Social security costs	71,934	-	71,934
Pension contributions	39,862	-	39,862
Other staff costs	8,107	8,008	16,115
	1,205,945	1,680,490	2,886,435

The number of employees whose emoluments, as defined for taxation purposes, amounted to £60,000 or more in the period were as follows:

	31 December 2021 £	31 March 2021 £
£60,000 – £69,999	-	3
£70,000 – £79,999	-	-
Total	-	3

The total employee benefits including pension contributions of the key management personnel were £105,929 (year ending 31 March 2021: £274,217).

Notes to the financial statements

For the period ended 31 December 2021

11 Staff numbers

The average number of employees (head count based on number of staff employed) during the period was as follows:

	UK and International No.	Overseas No.	31 December 2021 No.	31 March 2021 No.
Charity				
Operations	25	320	345	320
Fundraising and publicity	3	–	3	7
Governance	2	–	2	2
Subsidiary (CUMO)				
Operations	–	204	204	211
Subsidiary (Village Aid)				
Fundraising and publicity	–	–	–	–
Total Group Employees	30	524	554	540
Gender Analysis				
Male	12	368	380	
Female	18	156	174	

12 Related party transactions

There are no related party transactions to disclose for the period ending 31 December 2021 (year ending 31 March 2021: none).

Aggregate donations from related parties were None (year ending 31 March 2021: none).

Intra group transactions are disclosed in Note 15.

13 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

14 Tangible fixed assets

Group:	Land and buildings £	Drilling Rig £	Office furniture & equipment £	Vehicles £	Total £
COST					
At 1 April 2021	336,082	82,600	472,780	1,133,681	2,025,143
Additions in year	6,890	–	62,933	31,816	101,639
Disposals in year	(2,015)	–	(5,248)	(29,504)	(36,767)
Adjustment to classification	–	–	(14,987)	13,958	(1,029)
At 31 December 2021	340,957	82,600	515,478	1,149,951	2,088,986
DEPRECIATION					
At 1 April 2021	81,189	65,615	288,406	831,105	1,266,315
Charge for the year	5,336	3,358	55,823	83,340	147,857
Elimination on disposal	–	–	(3,872)	(26,446)	(30,318)
Adjustment to classification	–	–	(1,386)	(12,770)	(14,156)
At 31 December 2021	86,525	68,973	338,971	875,229	1,369,698
NET BOOK VALUE					
At 31 December 2021	254,432	13,627	176,507	274,722	719,288
At 31 March 2021	254,893	16,985	184,374	302,576	758,828

Charity:	Land and Buildings £	Drilling Rig £	Office Furniture & Equipment £	Vehicles £	Total £
COST					
At 1 April 2021	126,526	82,600	334,879	812,709	1,356,714
Additions in year	–	–	5,947	–	5,947
Disposals in year	–	–	–	–	–
Adjustment to classification	–	–	(90)	–	(90)
At 31 December 2021	126,526	82,600	340,736	812,709	1,362,571
DEPRECIATION					
At 1 April 2021	81,497	65,616	201,697	646,077	994,887
Charge for the year	4,412	3,358	41,876	38,285	87,931
Elimination on disposal	–	–	–	(12)	(12)
Adjustment to classification	–	–	1,906	(1,482)	424
At 31 December 2021	85,909	68,974	245,479	682,868	1,083,230
NET BOOK VALUE					
At 31 December 2021	40,617	13,626	95,257	129,841	279,341
At 31 March 2021	45,029	16,984	133,182	166,632	361,827

All tangible fixed assets are used for direct charitable purposes.

15 Subsidiary undertakings

CUMO

The charity controls CUMO Microfinance Ltd, a company limited by guarantee and incorporated in Malawi. Accounts for CUMO have been prepared and audited in Malawi Kwacha for the period 01 January 2021 to 31 December 2021. These accounts, adjusted for the 9 month period 01 April 2021 to 31 December 2021 have been consolidated into United Purpose's accounts on a line by line basis. The Trustees consider that given seasonal factors affecting the take up of loans by CUMO's client group, it is currently appropriate to maintain a different accounting year end for CUMO from United Purpose.

United Purpose Trading Ltd

The charity controls United Purpose Trading Ltd, a company limited by guarantee incorporated in the United Kingdom. The results for the period to 31 December 2021 has been consolidated on a line by line basis.

United Purpose Trading Ltd Profit and Loss Account

	31 December 2021 £	31 March 2021 £
Turnover	161,108	669,067
Gross profit	161,108	669,067
Admin & distribution costs	41,110	87,354
Operating profit	119,998	581,713
Realised Exchange (Loss)/Gains	(150)	5,816
Gift aid to parent undertaking	(140,926)	(698,740)
Profit on ordinary activities before taxation	(21,078)	(111,210)
Taxation	–	–
Profit for the financial period/year	(21,078)	(111,210)

The aggregate of the assets, liabilities and funds was:

	31 December 2021 £	31 March 2021 £
Assets	56,444	50,557
Liabilities	(76,802)	(49,837)
Funds	(20,358)	720

The profit of United Purpose Trading Ltd is transferred to parent company via Gift Aid.

Village Aid

The charity is the controlling member of Village Aid, a UK charitable company limited by guarantee (company no. 03446625, charity no. 1067322). The summarised statement of financial activities for the period ended 31 December 2021 and assets and liabilities as at 31 December 2021 are shown below. Full accounts are filed with the Charity Commission and Companies House. Village Aid will be winding up in 2023

Village Aid Income and expenditure summary

	Restricted £	Unrestricted £	31 December 2021 £	Restricted £	Unrestricted £	31 March 2021 £
Income	56,345	1,352	57,697	48,955	71,597	120,552
Expenditure	(30,235)	–	(30,235)	(19,000)	(54,767)	(73,767)
Net incoming/(outgoing) resources for the year	26,110	1,352	27,462	29,955	16,830	46,785
Funds at the start of the year	37,005	54,455	91,460	9,000	30,674	39,674
Prior Year Adjustment	–	–	–	–	5,000	5,000
Funds at the end of the period/year	63,115	55,807	118,922	38,955	47,504	91,459

Included in expenditure is a grant support cost from the parent entity of £nil (2020: £nil)

United Purpose

Notes to the financial statements

For the period ended 31 December 2021

15 Subsidiary undertakings (continued)

Village Aid balance sheet

	31 December 2021 £	31 March 2021 £
Assets	92,037	138,986
Liabilities	(26,951)	(47,527)
	65,086	91,459
Restricted funds	63,115	38,955
Unrestricted funds	55,807	52,504
	118,922	91,459

16 Parent charity

The parent charity's gross income and the results for the period are disclosed as follows:

	31 December 2021 £	31 March 2021 £
Gross income	7,872,280	17,893,844
Result for the period/year	(1,887,349)	635,130

17 Debtors

	Group		Charity	
	31 December 2021 £	31 March 2021 £	31 December 2021 £	31 March 2021 £
Trade debtors	11,351	26,597	9,352	20,751
CUMO outstanding client loans	1,499,369	1,553,971	–	–
Amounts due from donors	405,280	426,194	405,280	426,194
Prepayments	8,889	105,640	8,889	105,640
Other debtors	495,603	207,690	35,505	296,372
	2,420,492	2,320,092	459,026	848,957

18 Creditors : Amounts falling due within one year

	Group		Charity	
	31 December 2021 £	31 March 2021 £	31 December 2021 £	31 March 2021 £
Taxation and social security costs	7,860	135,240	7,860	116,893
Trade creditors	798,093	754,941	658,081	621,817
Accruals	59,380	79,082	53,170	76,022
CUMO loan collateral fund	254,021	210,989	–	–
Insurance Premiums	–	–	–	–
Sundry creditors and provisions	937,765	1,162,302	909,993	1,062,324
	2,057,118	2,342,554	1,629,105	1,877,056

19 Creditors : Amounts falling due greater than one year

	Group		Charity	
	31 December 2021 £	31 March 2021 £	31 December 2021 £	31 March 2021 £
Amounts payable in 1–2 years:	3,672	–	–	–
CUMO – amounts due to funders	–	28,988	–	–
	–	28,988	–	–

20a Analysis of net assets between funds (current period)

Group:	Restricted funds £	Designated funds £	CUMO £	General £	Total	funds £
Tangible fixed assets	–	–	439,947	279,341		719,288
Current assets	2,791,891	–	2,288,863	995,410		6,076,164
Current liabilities	–	–	(572,785)	(1,484,333)		(2,057,118)
Long term liabilities	–	–	(3,672)	–		(3,672)
Net assets at 31 December 2021	2,791,891	–	2,152,353	(209,582)		4,734,662

20b Analysis of net assets between funds (prior year)

Group:	Restricted funds £	Designated funds £	CUMO £	General £	Total	funds £
Tangible fixed assets	–	–	348,236	410,592		758,828
Current assets	4,062,777	–	1,979,408	1,920,632		7,962,817
Current liabilities	–	–	(459,427)	(1,883,127)		(2,342,554)
Long term liabilities	–	–	(28,988)	–		(28,988)
Net assets at 31 March 2021	4,062,777	–	1,839,229	448,097		6,350,103

21 Operating lease commitments

The charitable company had total commitments under operating leases expiring as follows:

Group	Property		Equipment	
	31 December 2021 £	31 March 2021 £	31 December 2021 £	31 March 2021 £
0 – 1 year	212,999	260,965	1,259	1,259
1 – 2 years	99,751	66,624	1,259	1,259
2 – 5 years	68,488	1,034	2,413	3,357
	381,239	328,623	4,931	5,875

Charity	Property		Equipment	
	31 December 2021 £	31 March 2021 £	31 December 2021 £	31 March 2021 £
0 – 1 year	209,578	253,301	1,259	1,259
1 – 2 years	99,751	66,624	1,259	1,259
2 – 5 years	68,488	1,034	2,413	3,357
	377,817	320,959	4,931	5,875

22a Movements in funds (current period)

Restricted funds

Group and Charity:	At 1 April 2021 £	Incoming and gains £	Expenditure and losses £	Transfers £	At 31 December 2021 £
Exploitation and conflict	(51,817)	64,324	(33,688)	(109,349)	(130,530)
Health and Wellbeing	1,487,370	1,437,126	(2,921,583)	(110,214)	(107,301)
Livelihoods	2,637,529	5,593,299	(5,205,066)	37,355	3,063,117
Environment	(64,761)	89,621	(114,694)	632	(89,202)
held by Village Aid	54,455	1,352	-	-	55,807
Total restricted funds	4,062,776	7,185,722	(8,275,031)	(181,576)	2,791,891
General Funds held by CUMO	1,886,978	950,186	(684,811)	-	2,152,353
General Funds held by Village Aid	37,205	56,345	(30,235)	-	63,315
General Funds held by United Purpose Trading	-	229,052	(229,052)	-	-
General funds	363,144	479,040	(1,296,656)	181,576	(272,896)
Total unrestricted funds	2,287,327	1,714,623	(2,240,754)	181,576	1,942,772
Total funds	6,350,103	8,900,345	(10,515,785)	-	4,734,663

Transfers between funds

Transfers between funds represent movements of funds between projects.

Any transfers from restricted funds into unrestricted funds are as result of a review of fund balances to identify funds held in restricted funds on projects that are now complete. The fund balances are reviewed once the final donor reports have been submitted and accepted by donor, if the likelihood of funder clawback is remote the remaining balance is considered unrestricted.

Purposes of restricted funds

Restricted funds consist of donor funding for specific development projects, plus an allocation of voluntary income restricted for other purposes than specific development projects. The restricted funds held by Village Aid have been shown as restricted as they are to be spent in line with the donors' intentions.

Any fund balance in deficit, is due to payments due from donors not having been received at year end, and post year end receipts not being accrued due to the nature of donor contract.

A proportion of the restricted funds balance is held in cash funds in project specific bank accounts and as such is not available for group cash resources.

CUMO loan funds are held for making microfinance loans in Malawi, specifically to living those in extreme poverty in rural areas. These funds arise from initial grants from the Department for International Development (granted to establish a revolving loan fund), supplemented by surpluses generated through the charging of loan interest, less the cost of administering the loans. The cash resources of CUMO are not available for group cash resources and therefore have been shown separately.

22b Movements in funds (prior year)

Restricted funds

Group and Charity:	at 1 April 2020 £	Incoming and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Exploitation and conflict	11,737	261,744	(227,557)	(97,741)	(51,817)
Health and Wellbeing	569,899	5,987,437	(5,312,553)	242,587	1,487,370
Livelihoods	2,283,385	9,057,327	(9,190,913)	487,730	2,637,529
Environment	22,027	146,705	(101,423)	(132,070)	(64,761)
held by Village Aid	5,500	48,955	–	–	54,455
Total restricted funds	2,892,548	15,502,168	(14,832,446)	500,506	4,062,776
General Funds held by CUMO	1,673,543	1,787,456	(1,574,021)	–	1,886,978
General Funds held by Village Aid	35,301	76,581	(74,677)	–	37,205
General Funds held by United Purpose Trading	–	669,066	(669,066)	–	–
General funds	692,482	1,736,951	(1,565,783)	(500,506)	363,144
Total unrestricted funds	2,401,326	4,270,054	(3,883,547)	(500,506)	2,287,327
Total funds	5,293,874	19,772,222	(18,715,993)	–	6,350,103

Notes to the financial statements

For the period ended 31 December 2021

23 Analysis of cash at bank and in hand

	Charity £	Subsidiaries £	31 March 2021 Total £	31 December £
General accounts in the UK	1,269,394	89,572	1,358,966	582,628
Project specific accounts in the UK	2,415	–	2,415	1,886,218
Held in overseas accounts	2,082,048	200,018	2,282,066	3,172,665
Total cash funds held	3,353,858	289,590	3,643,447	5,641,511

24 Capital Commitments

At 31 December 2021 there were no capital commitments (31 March 2021: Nil).

25 Contingent Assets

No unsold carbon credit units were held at 31 December 2021 (31 March 2021: 8,774 units). Units sold after December 2021 are 33,589 with a price range per unit of €10.00/t to €12/t and contributed to the ongoing costs of the carbon projects, and benefits to the communities involved, and to the general funds of the charity where there are excess funds available.

26 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

27 Parent company details

As of 5 August 2021, United Purpose merged with The Gorta Group. The leadership of United Purpose transferred to Ray Jordan, as Group CEO, and Carmel Fox as Group Chair of The Gorta Group. The group is registered in Ireland; its company registration number is 28228 and its charity number is 20008895. Three of United Purpose's directors remain on the UP Board to ensure continuity, and they are joined by three directors from the Gorta Group and one independent.

The Gorta Group became the sole member of United Purpose, and United Purpose employees who were employed on the transfer date transferred to the Gorta Group as part of the merger.

28 Post balance sheet events

Decision made at Village Aid AGM on November 22th 2022 to wind down the company. Working with trustees on a plan for the closure but expected to be in 2023. United Purpose Trading will also cease operating in 2023.