

Annual Report 2020/21

United
Purpose 
Beyond aid





Image caption: Agriculture livelihoods programme participant, The Gambia. (Photo credit: Jason Florio)

BOARD OF TRUSTEES

The trustees who served during the financial year up to the date of signing The Trustees Report were as follows:

- Mary Robinson (appointed as Chair on 22 November 2021)
- Peter Ayres (resigned as Trustee and Chair on 4 August 2021)
- Catherine Cottrell
- Hadi Husani
- Sir Martin Davidson (resigned on 4 August 2021)
- Peter Atfield (resigned on 4 August 2021)
- David Bull (resigned on 4 August 2021)
- Catherine Fitzgibbon (appointed on 13 August 2021)
- Carmel Fox (appointed on 13 August 2021)
- Michael Gormley (appointed on 13 August 2021)

SENIOR LEADERSHIP TEAM

Chief Executive Officer:
Kathryn Llewellyn (resigned on 31 December 2020)
Linda Edwards (appointed on interim basis on 1 January 2021; resigned on 6 August 2021)
Ray Jordan (appointed on 6 August 2021)

Finance Director:
Paul Seymour (resigned on 18 June 2021)
Peter McDevitt (appointed on 6 August 2021)

Cluster Lead (Asia and Southern Africa):
Helena Skember

Cluster Lead (West Africa and Brazil):
Tim Kellow

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United Purpose is a registered charity in England and Wales (registration number 272465) and is constituted as a company limited by guarantee registered in England & Wales (registration number 1278887).

Foreword from the Chair and CEO

United Purpose has a mission to move people beyond aid – and over the past 45 years that is exactly what we have done. We have reached over 35 million people since our organisation was founded in 1976. Over the past four decades, we have helped marginalised communities take greater control over their own lives by providing lasting solutions, whether that's been from helping them to earn more from their work, increasing access to safe water or improving social accountability.

An unprecedented year

The past year has been unprecedented in our organisation's history. The entire world has been rocked by the impacts of the COVID-19 pandemic – lives have been changed forever, impacting us all. The people we serve, many of whom live in extreme poverty, are especially vulnerable to the long-term health and economic shocks caused by the pandemic. This has brought a renewed urgency to our work, and we are immensely proud of how our teams have pivoted their efforts to fight COVID and overturn its devastating effects.

Our global response to prevent the spread of COVID-19 has saved lives and safeguarded livelihoods. We quickly adapted our projects so that vital information and equipment could be shared with those who need it most, distributing hygiene kits, food parcels and providing essential infection prevention guidance. We directly reached over 775,000 people through our rapid COVID response. We worked with our community partners to produce and distribute almost 218,000 cloth facemasks and installed an estimated 8,000 new handwashing stations.

Global challenges

The pandemic struck at a time when our world was already changing rapidly. In many of the countries where we work, a combination of climate change and rapid population growth threatens the economic gains that have been made over the past three decades – and how these complex challenges are addressed may well set the agenda for global peace and stability this century.

Yet while there has never been a greater demand for the work we do, we are being challenged to transform the way we do business. Traditional funding streams are dwindling. Social enterprise models will be an increasingly important part of our future, as will mobilising trading income.

A new chapter

The challenges that lie ahead are significant and we will have to adapt quickly if we are to overcome them. For these reasons, United Purpose's Board of Trustees and senior leadership team have come to a unanimous decision that now is the time to make some radical and exciting changes.

To survive and to continue delivering on our mission to move people beyond aid, we will be joining forces with Self Help Africa and other members of the Gorta group. This merger will amplify our current operations, and strengthen our capacity and scale to deliver greater impact.

Together, we will seek lasting change for those living in some of the world's most challenging places.

Thank you

We'd like to take this opportunity to express our sincere gratitude to all of those who have been on the journey with us so far. Thank you to United Purpose's dedicated and passionate Board of Trustees, to leadership teams past and present, to our staff, partners, supporters and communities. None of our amazing achievements would have been possible without you.

We hope that you will continue on this journey with us, and support us as we continue striving to eradicate global poverty and inequality. We are excited about what the future holds for our organisation, and we sincerely hope that you will want to be part of it too.

Mary Robinson,
Chair of the Trustees



Ray Jordan,
CEO



Who we are

OUR VISION

A WORLD WHERE
JUSTICE, DIGNITY
AND **RESPECT**
PREVAIL FOR ALL.

OUR MISSION

WE ARE UNITED
IN OUR PURPOSE
TO MOVE PEOPLE
BEYOND AID.

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 – so they can move beyond aid.

We do this as 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

The heart of our approach is a grassroots, community-led model. We sincerely believe in working in partnership, and the voices of those we work with are at the forefront of all that we do.

We use innovation and creativity, and we are not afraid to explore new methods to achieve better results.

Our specialism is mobilising communities to change social norms and behaviours that infringe rights and hold back development. We pride ourselves on building deep relationships with communities, local partners and governments, where we 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 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

The three levers



The big issues



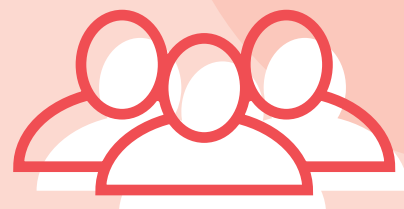
OUR WORLD

In 2020/21...

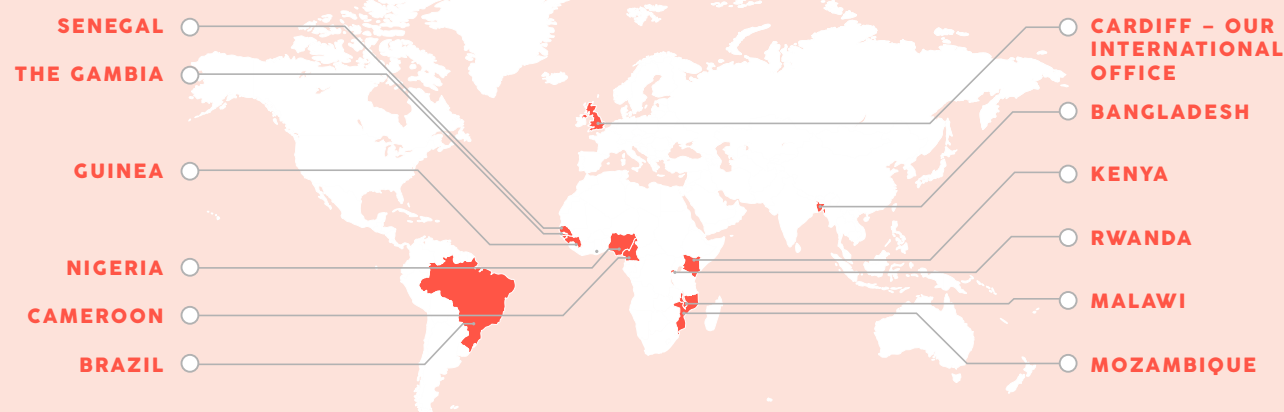
We directly reached

2,186,814

people



...and
indirectly reached an additional
10,775,439 people



MAP OF OPERATIONS

IN NUMBERS



Livelihoods

We provided **31,852 people**
with microfinance loans

We trained **109,307 farmers**
to improve their practices

TOTAL DIRECT REACH: **274,052**

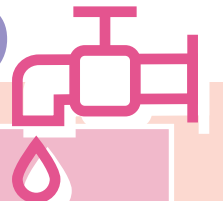


Climate

We planted **711,589 trees**

We supported **685,291 people** to use cleaner,
fuel-efficient stoves

TOTAL DIRECT REACH: **112,734**



Health

We provided **336,627 people**
with access to safe water

We supported **101,276 pregnant women**.

TOTAL DIRECT REACH: **885,745**



Exploitation

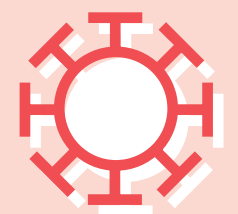
We delivered **88 workshops**
between communities and local
government

We indirectly reached over **2 million people** through
rights awareness campaigns

TOTAL DIRECT REACH: **138,455**

COVID

When the pandemic hit, we quickly adapted our
projects in order to share vital information and equipment
with those who need it most.



We produced and distributed
217,928 cloth facemasks

We distributed over **59,000 hygiene kits** to people
affected by the virus

We indirectly reached nearly
8 million people with
COVID-19 prevention messages

TOTAL DIRECT REACH: **112,734**

Stories from our work...

Over the following pages we present some highlights from our work in 2020-21 under our four change objectives: livelihoods, health, environment and violence/exploitation. We also feature key achievements from our humanitarian and sport for good work.



LIVELIHOODS

Over the past 40 years, we have built up a wealth of knowledge and expertise in improving livelihoods, particularly in poor rural communities. We promote livelihoods that can adapt to the demands of a changing climate, and we especially focus on economically empowering women. In 2020-21, for example, we supported over 95,000 women to increase their incomes and provided over 21,000 women with micro-finance loans.

MOZAMBIQUE

Boosting women's businesses

Just as we launched our female economic empowerment project in Niassa province, Mozambique, the COVID-19 pandemic hit. It quickly became apparent that this health crisis would also have a devastating socioeconomic impact, exacerbating many problems that women and girls in Niassa were already facing.

Girls are particularly vulnerable to being left behind in education, while women endure the most disproportionate care burdens, disruptions in income, poor access to health and are at greater risk of domestic violence.

Elfrida is one of the 134 women our project supported. A single mother of one son, Elfrida lives with a physical disability that means she has to use a wheelchair. She used to work in a hairdressing salon, which equipped her with the skills, experience and desire to open her own salon – but she wasn't sure how to put her dream into reality.

Thanks to our project, Elfrida was able to invest in building her own salon (attached to her home) and build her business knowledge through the training sessions.

Right: Elfrida, a participant in our 'Mais Mulheres' project.



"There is no other salon nearby, which is a good opportunity for my business," says Elfrida. "I believe it will be very successful. Especially now during COVID-19, women don't want to go far away from their homes. This opportunity has the potential to make me self-sufficient."

CONTEXT: Funded by the Edmond Rothschild Foundation, the 'Mais Mulheres' (More Women) project reached 134 women in Niassa province, Mozambique. Business training and capacity building took place throughout April and May 2020. A women's business centre was also established in UP's compound, where a core group of female entrepreneurs provide peer support to other women. All the women who participated in the project reported increased knowledge and business management skills, and 60% of participants reported increased profits and a greater sense of teamwork in their relationships with their husbands.



Left: Participants in a COVID-safe business training session, as part of our 'Mais Mulheres' project.

Far left: Participants in our netball project in Malawi.

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. For example, in 2020-21, we provided 336,627 people with access to safe water and supported 101,276 pregnant women.



MALAWI

Healthy food, happy babies

Our nutrition project in Malawi promotes good nutrition practices, using locally available food. We train households on the importance of balanced meals that contain six key food groups and how to prepare them. We also support participants with vegetable seeds, fruit tree seedlings and livestock, to diversify their diets.

Meet Julieta. She is one of the nutrition promoters for the programme, and also has two children of her own – her eldest aged three, and youngest three months.

Julieta actively supports different nutrition activities in her home village, including care groups, training and awareness raising. Her passion for nutrition began after she attended our training sessions in maternal and neonatal health, and received five chickens as part of the project. Julieta became pregnant with her second child in March 2020. During her pregnancy, she prepared nutritious meals for her family.

Julieta says, “I was eating the six food groups because I wanted to give birth to a healthy baby. I also wanted to prove that the information in the maternal and neonatal health counselling module is true and to encourage other mothers to do the same after they see my healthy baby”.

Her son rarely falls sick unlike his elder brother when he was the same age. The family used to spend a lot of money on medication for their first-born son, who was born severely underweight. “My life has changed and that of my family too. We are a happy and healthy family now,” said Julieta.

Julieta has become a role model for other nutrition volunteers and other households. She encourages others to follow the nutrition guidance, helping many other families in the community.

CONTEXT: The GIZ-BMZ funded project *Food and Nutrition Security Programme (FNSP)* (2020-2022) aims to improve the nutritional status and resilience to food crises of people in Dedza district who are vulnerable to nutrition insecurity, specifically 18,277 children under-two and 11,770 pregnant and lactating women. With significant impacts on nutritional education and household diets, this project is contributing to long-term health outcomes through positive maternal and neonatal health.

Left: Julieta and her three-month-old baby

Above: Julieta is passionate about helping her young family to have a healthy diet

ENVIRONMENT

Statistics predict that the world’s poorest countries will pay 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. In 2020-21, we planted 711,589 trees and supported 685,291 people to use fuel-efficient stoves and/or cleaner fuels.



SENEGAL

Flourishing forests, thriving communities

Abdou, a herbalist who depends on thriving forests to earn a living, is just one of the thousands of people whose livelihoods have been improved as a result of our forest conservation work in Senegal.

As a nursery gardener, Abdou’s job is to understand the different produce that the community relies on for their livelihoods. He plants a variety of trees in the nurseries – for example, cashew, gmelina arborea, ditakh and baobab – and then sells them. In the first year of the programme he sold 700 plants and in the second year this number increased to 1,200 plants.

“The more people that come to rely on fruit trees for their livelihoods, the more we will see a reduction in forest fires because everyone will be more committed to protecting their area of the forest – forests that the community has developed together with UP,” says Abdou.

CONTEXT: The EU-funded ‘Gouvernance Environnementale Communautaire’ (or ‘Community based Environmental Governance’), began in 2018 and has been instrumental in reducing illegal logging and bush fires in the Casamance area of Senegal. With significant impacts on the environment, value chain addition and people’s livelihoods, this project has contributed to the increased commitment of the community to protect their natural resources and created ‘green jobs’ through providing local businesses and organisations with sub-grants.

Above: Abdou gathers plants in the nursery

Left: We are working with communities in Senegal to protect their local forests

Image credits: Jason Florio

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. We also work to build peace between conflicting groups to promote mutual understanding, trust and resilient social ties. Over the last 20 years, we have successfully implemented over 20 peacebuilding programmes across Africa and South America.



BRAZIL

Fighting violence against women

Like in many other countries, domestic violence against women increased during the COVID-19 pandemic in Brazil. Social isolation exacerbated family conflicts and forced women to be in closer proximity to their aggressors for longer periods. Shockingly, during March and April 2020, the number of femicides grew by over 22% (when compared to the same period in 2019).

Despite the increase in the number of cases, the data show a reduction in the number of complaints, either because of the woman's fear of reporting because of the proximity of the aggressor, or because of fear of not complying with social isolation measures. Despite that, there were over 105,000 reports to the national support line during 2020.

To encourage reporting and to inform the population how to go about it, we supported our partner, *Cunhã Coletivo Feminista*, and the Paraíba branch of the Association of Brazilian Women to disseminate a jingle in 16 districts of five towns and cities where over 300,000 people live.

Using cars with loudspeakers, the one-minute jingle was repeated several times in each area as the cars went up and down the central streets of each district during the busiest times of the day. It was heard by people in their houses or going about their business in local markets or whilst working. Many of the women with whom we work in these districts were delighted to tell us that they heard the jingle or that their neighbours commented on it. They said that the jingle made it easy to remember both the national and Paraíba state support line phone numbers.

Left: As part of our long-standing work in Cameroon, we work with communities to ensure everyone has fair access to water and can access mediation when conflict arises over natural resources. In response to the pandemic, our partners have trained communities on COVID-19 prevention.

CONTEXT: This activity took place as part of our women's economic empowerment project, funded by the Penny Appeal. The project, which finished in February, was designed to increase the economic autonomy of 140 women, with a view to improving their lives and addressing gender inequalities. In view of the high rate of violence against women in Paraíba, space was also provided to reflect on gender inequality and gender-based violence. The jingle and its dissemination were paid for by the national Association of Brazilian Women (of which our partner *Cunhã Coletivo Feminista* is a member) and the Penny Appeal.



Above: One of the cars with loudspeakers, used to spread vital information

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 2020-21, our emergency response work focused on COVID.

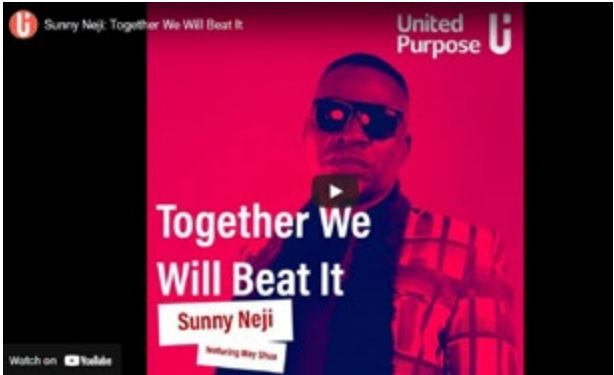
COVID is thought to have pushed between 88 and 115 million people into extreme poverty during 2020, according to the World Bank. This is an unprecedented rise – the first rise in over 20 years – and it is a trend that will not reverse any time soon. There are already huge challenges facing the countries where we work, due to a combination of weak healthcare systems, poor hygiene and sanitation facilities, densely

populated communities and an absence of welfare support systems. Taking the lessons we learnt from our rapid Ebola response in Guinea in 2015, we immediately pivoted our activities to respond to the pandemic across our country programmes.



Highlights

- Across our country programmes, we produced and distributed 217,928 cloth face masks.
- We collaborated with Nigerian musician Sunny Neji to produce a new song, 'Together We Will Beat It', to reach young people and remote communities in Nigeria with vital messages about preventing the spread of COVID-19. The song had over 370,000 views on social media.
- In The Gambia, we rehabilitated and treated broken wells in 80 communities across the country – an activity that has made clean water available to the communities and enabled regular handwashing and improved hygiene (image credit: Jason Florio).
- We distributed 59,009 hygiene kits to people affected by COVID-19 across our country programmes.
- In Malawi, we reached nearly 5 million people with vital messages about COVID prevention (e.g. through radio, SMS and megaphones).



Left: Our humanitarian response project for Rohingya refugees in Bangladesh operates health posts in the refugee camps in Cox's Bazar

SPORT FOR GOOD

We use sport as a tool to engage, educate and inspire. In 2020-21, we empowered over 30,000 young people through sport, a number we are committed to growing. Sport is a fantastic way to engage children and adults with important issues as diverse as gender equality, nutrition and good hygiene. Inherently fun and playful, sport has the power to bring people together and encourage positive behaviour change.



BANGLADESH

In full swing – moving beyond trauma

Since August 2017, nearly 900,000 Rohingya refugees have fled to Bangladesh to escape systematic discrimination and targeted violence in Myanmar – over half of whom are children. The refugee camps in Cox's Bazar are incredibly difficult for children. Access to education and other essential services is limited, and children are at risk of violence, exploitation and abuse. Since the crisis began, United Purpose has been on the ground in the camps, working hard to provide families with safe water, access to basic hygiene and sanitation facilities, and health and psychosocial support.

This year, we installed a playground and football equipment in the refugee camp. These facilities are taken for granted by many children across the world, but have proved a lifeline for many Rohingya families.

Safe, accessible and enjoyable, the playground and football equipment are playing an important role in improving psychosocial and physical development, as well as social skills. Eight-year-old Noor is one of the children who regularly plays in the playground.

“The playground is very important for children, youth and even us adults,” says Noor’s mother. “In the camp we didn’t have this kind of facility before. Before, she always stayed at home. But now she is very happy and plays with enjoyment and enthusiasm. We are very happy watching this. I think many children like our daughter will benefit from this playground.”

CONTEXT: Named **Equipping Children & Adult Playground** in the Rohingya Camp (ECAP), this project is funded by Penny Appeal. The playground has been set up in one of the 34 Rohingya refugee camps in Cox's Bazar, and it aims to alleviate post-migration stress – a condition to which children are most vulnerable.



Left/above: Children and youth in the Rohingya camps enjoy the playground and football facilities that we have built

Strategic report: Structure, governance and management

The trustees present their report and the audited financial statements for the year ended 31 March 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.

As of 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 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 remain on the UP Board to ensure continuity, and they are 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, and International Inspiration, the London Olympics initiative that uses sport as a tool to promote development and peace. 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 an 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. They sit on the charity’s sub-committees, including the Finance & Risk Committee, the Safeguarding and People Committee and the Impact Committee.

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. 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 ended 31 March 2021. Certain practices outlined in this report may have changed since the merger with Gorta.

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 eleven.

Efforts to recruit new trustees take into account any recent skills audits and gaps in skills/experience that have been identified, and specific roles or duties that need to be undertaken. Once 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 related 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 two wholly owned subsidiaries – United Purpose Trading which sells carbon credits and Village Aid, a fundraising charity supporting projects in West Africa.

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:

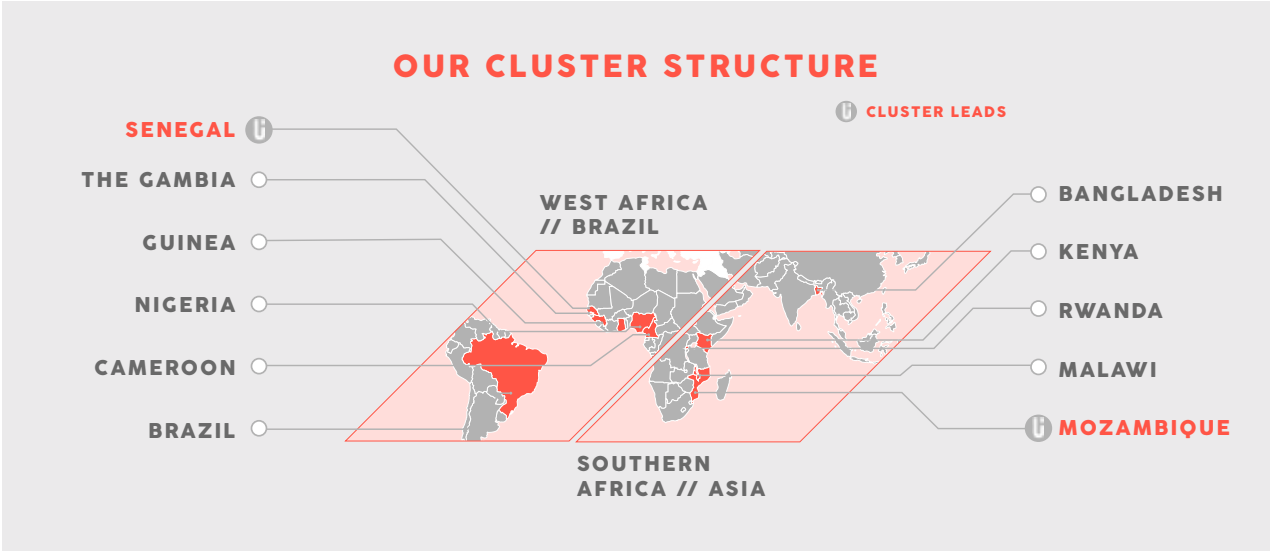
- The benefits generated by the activities of the charity. This report explains how United Purpose’s activities meet the goals of its Global Strategy, and highlights the types of programmes that are funded and reports on the number of people it reaches.
- The benefits are closely aligned with the charity’s 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. We work closely with local communities 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

During 2020–21 our Global Programmes team operated in a ‘Cluster’ model (see map on page 27). For the UK team, this meant streamlining our operations to focus on fundraising, communication, operations and finance.

The role of the clusters included:

- Providing support between Country Directors
- Sharing learning and enhancing quality between country programmes
- Identifying critical priorities and support needs
- Identifying and forging relationships with regionally based donors, private sector contractors and advocacy networks to maximise funding and influence opportunities aligned with the Global Strategy
- Strengthening global representation at Senior Leadership level



Strategic report

Remuneration policy for key management personnel

The key leadership of the charity include 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 in the course of 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 takes into account 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.

Overview

United Purpose demonstrated strong performance in 2020/21 in terms of the level of activity (£18.7m (2019/20: £18.6m) and the number of people directly reached (2.1m (indirectly 10.8m)). However, there was a decrease in unrestricted reserves at £400k (2019/20: £728k). This was largely due to a number of adverse donor reports resulting in clawbacks.

This year, through our programmes, we directly reached over 2 million people and indirectly reached over 10 million people. Due to our community-led focus and strong relationships with local partners, we were able to flex and adapt swiftly, and we channelled our resources into mass campaigns on COVID-19 information and prevention (e.g. via TV, radio, SMS, etc.). These mass campaigns, which formed part of our rapid COVID-19 response, enabled a much greater indirect reach than in previous years.

The COVID-19 pandemic has had short- and long-term impacts on United Purpose and the NGO sector as a whole. Most significantly, it has disproportionately impacted people living in poverty in low-income countries – people that UP exists to serve, and who will be dealing with the ripple effects of COVID-19 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 COVID-19 presented.

At the outset of the pandemic, we rapidly mobilised new resources and negotiated with current donors to divert funds on existing programmes to support national COVID-19 responses. The trustees and senior leadership team also put in place measures to alleviate any adverse effects as far as possible, such as putting 13 UK staff on furlough or flexible furlough at various points between March 2020 and July 2021. We conducted risk assessments for each project, promoted health and wellbeing sessions for staff, implemented contact tracing and acquired personal protective equipment (PPE) where appropriate. We also integrated COVID prevention measures in our operations guides, implemented flexible and COVID-safe office work arrangements and invested in ICT solutions (e.g. ensuring remote meetings could take place where possible).

In addition, we installed 7,888 new handwashing stations across our programmes, provided 4,414 food kits to mitigate any immediate impact on the most vulnerable, and we supported women's groups to produce almost 218,000 face masks, both as a COVID prevention and income generation activity.

The health and safety of our staff, partner staff and communities we work with around the world remains a paramount focus. We are continuing to flex and adapt our programmes to support national efforts to reduce the effects 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.

In 2020/21, the income of United Purpose increased by 6% from £18.6 million to £19.8 million, following an increase of 34% in 2019/20. Expenditure in 2020/21 broadly remained the same as a result of reducing the unrestricted cost base.

Overall, this led to a positive movement in funds in 2020/21 of £1.1m compared to a negative movement of £28k in 2019/20. The negative movement in unrestricted funds was not in line with previous expectations and full strategic and operational review is underway as a result of the merger with Gorta. 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, onetime 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 is implemented alongside other governance and financial policies of United Purpose and it is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Following the merger with Gorta, work is ongoing in developing an overarching strategy for the group. Whilst in previous years the target amount of unrestricted reserves was £1 million, the development of the strategy will lay the foundations for the development of a revised and more up-to-date reserves policy for UP and Gorta.

Number of people reached per issue per country

COUNTRY	ISSUE Livelihoods	Health	Environment	Exploitation	COVID-19	TOTAL
Bangladesh	64,435	104,252	-	18,825	246,179	433,691
Brazil	240	-	-	4890	10,415	15,545
Mozambique	13,600	115,000	16,000	105,400	-	250,000
Nigeria	-	162,002	15,500	-	460,608	638,110
Senegal	2,123	641	5,666	311	759	9,500
Cameroon	-	859	-	670	859	2,388
The Gambia	4,131	-	-	520	9,072	13,723
Guinea	4,131	-	-	520	9,072	13,723
Malawi	131,083	502,991	174,680	7,279	-	716,033
GRAND TOTAL	274,052	885,745	112,734	138,455	775,828	2,186,814

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.

The GBP value range is derived from actual and proposed sales. The March 2021 units have now all been sold.

By combining unrestricted reserves in the balance sheet of £400k with the post year end cash receipts from the sale carbon units totalling £22k, the effective level of unrestricted reserves is £422k, compared to our stated unrestricted reserves target of £1 million.

Looking ahead, it is expected that the impact of COVID-19 will require unrestricted reserves to be utilised for at least the next financial year.

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. This assessment is based on a thorough assessment of the impact of COVID-19, group income and cash forecasts and projections, taking into account assumptions about

Carbon unit stocks

Date	Units	Value (GBP)
31 March 2018	68,819	£92,905 - £280,093
31 March 2019	328,361	£443,287 - £1,336,429
31 March 2020	334,637	£765,378
31 March 2021	8,774	£21,727

possible changes in performance.

The Board of Gorta has confirmed in writing to the UP Board that it is prepared to support United Purpose, and will make funds available for a period of not less than 12 months from the date of approval of the financial statements to enable it to meet debts as they fall due. Therefore, trustees continue to adopt the ongoing concern basis in preparing the annual financial statements and believe there is no material uncertainty about UP's ability to continue as a going concern.

Fundraising statement

This year was the third year of our three-year fundraising strategy. The aim of this plan continues to be the generation of more net income for the charity, especially unrestricted income, ensuring the long-term sustainability of our vital work to empower communities to be independent and move beyond aid.

We focused on the following priorities:

- Diversify our income streams
- Increase our income
- Rebalance the ratio between restricted and non-restricted income
- Be more effective at managing the income we currently generate

We prioritised a number of income streams over this year, this including:

- Individual giving
- Major gifts and events
- Corporate Partnerships
- Trusts and foundations

This activity is undertaken by our fundraising team based in our Cardiff office. The majority of our work consists of direct marketing, engagement with our regular givers, and community and corporate events. All activity has been undertaken in line with the Fundraising Code of Practice set by Fundraising Regulator, of whom we are registered with. Our fundraising team is trained in the provisions of the code and any updates to the code are communicated to the team. 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 2020/21, we did not have a relationship with any commercial participators. 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 was overseen by the Finance & Risk Committee. 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. 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 (refer to table on page 31).

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. Support Country Directors to seek funding opportunities. New Trusts and Foundations Manager to coordinate with in-country funding staff.
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 to be established in all country programmes, detailing core and project results on a spreadsheet system.
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.
Fraud and bribery	A major fraud or bribery resulting in 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.
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.
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.	Provide virus spread prevention and mental health support interventions to ensure all staff have the right information about COVID-19 and how to access medical treatment. Identify possibility of adaptation of project activities from face to face to remote. 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.

Two 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.

In view of the COVID-19 pandemic, our focus over the course of this year was keeping our staff, partners and the communities we work with safe. There have been many challenges related to the pandemic and many preventive measures have been required. We conducted robust risk assessments on all of our projects and put mitigation measures in place to reduce risk, such as providing staff with COVID-specific health and safety guidelines to protect themselves, their colleagues and the communities where we work.

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 mentioned, 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 helping them to earn more from their work, sustainable WASH or social accountability interventions. On an annual basis, our combined programme activities reach over 6 million people. But our world is changing rapidly. The challenges that lie ahead are very significant and we will have to adapt quickly if we are to overcome them.

Across Lower Income Countries, a combination of population growth and climate change threatens the economic gains that have been made over the last three decades. Africa has the world's fastest growing population in the 21st Century, predicted to reach 2.5 billion by 2050. A majority of that population will remain rural until the 2040s, notwithstanding increased urbanization, and it will look – desperately – for work. This year, about 26 million Africans will enter the labour force, rising to 33 million a year by 2030.

How this complex development challenge is addressed may well set the agenda for global peace and stability in this century. The challenge is no less complex in lower middle-income countries such as Bangladesh, which faces enormous pressure from population growth and climate change. 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 contracted to do. Social enterprise models will be an increasingly important part of our future. Mobilizing 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 the Gorta Group 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.

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 14 January 2022 and signed on their behalf by

Mary Robinson
Chair

Additional Information

Bankers, solicitors and auditors

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

The trustees who served during the financial year up to the date of signing The Trustees Report were as follows:

Mary Robinson (appointed as Chair on 22 November 2021)
Peter Ayres (resigned as Trustee and Chair on 4 August 2021)
Catherine Cottrell
Hadi Husani
Sir Martin Davidson (resigned on 4 August 2021)
Peter Atfield (resigned on 4 August 2021)
David Bull (resigned on 4 August 2021)
Catherine Fitzgibbon (appointed on 13 August 2021)
Carmel Fox (appointed on 13 August 2021)
Michael Gormley (appointed on 13 August 2021)

SENIOR LEADERSHIP TEAM

Chief Executive Officer:

Kathryn Llewellyn (resigned on 31 December 2020)
Linda Edwards (appointed on interim basis on 1 January 2021;
resigned on 6 August 2021)
Ray Jordan (appointed on 6 August 2021)

Finance Director:

Paul Seymour (resigned on 18 June 2021)
Peter McDevitt (appointed on 6 August 2021)

Cluster Lead (Asia and Southern Africa):

Helena Skember

Cluster Lead (West Africa and Brazil):

Tim Kellow

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 year ended 31 March 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 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year 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 year 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.

Independent auditor's report

To the members of

United purpose

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)

21 January 2021

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 year ended 31 March 2021

	Note	Restricted £	Unrestricted £	CUMO £	2021 Total £	Restricted £	Unrestricted £	CUMO £	2020 Total £
Income from:									
Donations and Legacies	2	48,955	1,552,465	–	1,601,420	5,500	3,029,921	–	3,035,421
Charitable activities	3								
Livelihoods		9,038,080	253,871	1,758,971	11,050,922	7,942,490	–	1,645,659	9,588,149
Health and Wellbeing		5,987,437	7,195	–	5,994,632	4,275,687	–	–	4,275,687
Exploitation and Conflict		261,744	–	–	261,744	772,132	–	–	772,132
Donations in Kind	6	19,247	–	–	19,247	87,916	–	–	87,916
Environment		146,705	–	–	146,705	371,946	–	–	371,946
Investment income	4	–	–	28,485	28,485	–	–	22,894	22,894
Carbon Credits	5	–	669,067	–	669,067	–	442,556	–	442,556
Total income		15,502,168	2,482,598	1,787,456	19,772,222	13,455,671	3,472,477	1,668,553	18,596,701
Expenditure on:									
Raising funds	7	247,689	–	–	247,689	372,156	–	–	372,156
Charitable activities									
Livelihoods		8,403,884	2,309,526	1,574,021	12,287,432	7,550,136	3,348,067	1,372,369	12,270,572
Health and Wellbeing		5,820,440	–	–	5,820,440	4,838,439	–	–	4,838,439
Exploitation and Conflict		249,312	–	–	249,312	842,566	–	–	842,566
Environment		111,120	–	–	111,120	301,216	–	–	301,216
Total resources expended		14,832,446	2,309,526	1,574,021	18,715,993	13,904,513	3,348,067	1,372,369	18,624,949
Net outgoing resources before transfers		669,722	173,072	213,435	1,056,229	(448,842)	124,410	296,184	(28,248)
Transfers between funds		500,506	(500,506)	–	–	(9,947)	9,947	–	–
Net movement in funds	22	1,170,228	(327,434)	213,435	1,056,229	(458,789)	134,357	296,184	(28,248)
Funds at the start of the year		2,892,548	727,783	1,673,543	5,293,874	3,351,337	593,426	1,377,359	5,322,122
Funds at the end of the year		4,062,776	400,349	1,886,978	6,350,103	2,892,548	727,783	1,673,543	5,293,874

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 March 2021

	Note	Group 2021 £	2020 £	Charity 2021 £	2020 £
Fixed assets					
Tangible fixed assets	14	<u>758,828</u>	746,605	<u>361,827</u>	405,472
		758,828	746,605	361,827	405,472
Current assets					
Inventory		1,215	18,923	1,215	18,923
Debtors	17	<u>2,320,092</u>	2,728,704	<u>848,957</u>	1,015,155
Short Term Deposits		–	–	–	–
Cash at bank and in hand		<u>5,641,511</u>	4,361,315	<u>5,036,522</u>	3,884,640
		7,962,817	7,108,943	5,886,694	4,918,718
Liabilities					
Creditors: amounts due within one year	18	<u>(2,342,554)</u>	(2,379,470)	<u>(1,877,056)</u>	(1,744,660)
Net current assets		<u>5,620,263</u>	4,729,473	<u>4,009,638</u>	3,174,058
Total assets less current liabilities		6,379,091	5,476,077	4,371,465	3,579,531
Creditors: amounts due greater than one year	19	<u>(28,988)</u>	(182,202)	–	–
Net assets	20	<u>6,350,103</u>	<u>5,293,875</u>	<u>4,371,465</u>	<u>3,579,530</u>
Funds					
Restricted funds		4,008,321	2,887,048	4,008,322	2,887,048
Restricted funds Held by Village Aid		<u>54,455</u>	5,500	–	–
		4,062,776	2,892,548	4,008,322	2,887,048
Unrestricted funds					
Designated funds:					
Funds held by CUMO		1,886,978	1,673,543	–	–
Funds held by Village Aid		<u>37,206</u>	35,301	–	–
Other designated funds		–	–	–	–
		1,924,184	1,708,844	–	–
General funds (excluding funds held by CUMO)		<u>363,143</u>	692,482	<u>363,143</u>	692,482
Total funds	22	<u>6,350,103</u>	<u>5,293,874</u>	<u>4,371,465</u>	<u>3,579,530</u>

Approved by the trustees on 14 January 2022 and signed on their behalf by

Mary Robinson
Chair

United Purpose

Consolidated statement of cash flows

For the year ended 31 March 2021

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

	2021 £	2020 £
Net outgoing resources	1,056,229	(28,248)
Interest	(28,485)	(22,894)
Depreciation	171,284	197,909
Unrealised exchange (gain) on CUMO assets	(9,936)	(27,918)
Loss on disposal of fixed assets	594	3,334
(Increase)/decrease in inventory	17,708	10,897
(Increase)/decrease in debtors	408,612	(867,069)
Increase/(decrease) in creditors	(190,130)	956,285
Net cash (outflow) / inflow from operating activities	(1,425,876)	(222,296)

	2021 £	2020 £
Cash flows from operating activities		
Net cash (used in) / provided by operating activities	1,425,876	222,296
Cash flows from investing activities:		
Interest	28,485	22,894
(Purchase) of fixed assets	(174,165)	(173,404)
Net cash provided by / (used in) investing activities	(145,680)	(150,510)
Change in cash and cash equivalents in the year	1,280,196	71,786
Cash and cash equivalents at the beginning of the year	4,361,315	4,289,529
Cash and cash equivalents at the end of the year	5,641,511	4,361,315

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 14 Cathedral Road, Cardiff, Wales CF11 9LJ.

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.

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 two 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 £1.2m during the 12 month period up to 31 December 2022, per cash-flow projections. Gorta Group is prepared to support United Purpose to this level and beyond should the need arise.

As at 31 December 2020, the Gorta Group accumulated unrestricted reserves of €6.4million.

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.

Claims made through the UK Government's Coronavirus Job Retention Scheme are recognised as income in the period which the associated staff were furloughed. This income is considered to be unrestricted.

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.

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.

1 Accounting policies (continued)

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 year ended 31 March 2021

2 Income from donations and legacies

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Committed giving	-	-	-	500	-	500
Legacies	-	-	-	5,000	-	5,000
Appeals and collections	48,955	-	48,955	-	-	-
Cost recovery on grant funded programmes	-	367,752	367,752	-	266,551	266,551
Income from Coronavirus Job Retention Scheme (from UK Government)	-	59,890	59,890	-	-	-
Other grants & donations	-	1,124,823	1,124,823	-	2,763,370	2,763,370
Total grants	48,955	1,552,465	1,601,420	5,500	3,029,921	3,035,421

3 Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Livelihoods						
Action Aid	164,926	-	164,926	274,818	-	274,818
Action On Poverty (AOP)	82,860	-	82,860	101,526	-	101,526
Blue Gold	-	-	-	43,784	-	43,784
Big Lottery Fund	-	-	-	56,302	-	56,302
BRAC	-	-	-	12,848	-	12,848
UN	-	-	-	15,160	-	15,160
Coca Cola	470,579	-	470,579	167,196	-	167,196
Concern Worldwide	2,059,637	-	2,059,637	1,577,634	-	1,577,634
CUMO	-	1,758,971	1,758,971	-	1,645,659	1,645,659
SWIFT	-	-	-	34,324	-	34,324
ENDEV	226,320	-	226,320	169,165	-	169,165
Electric Aid	-	-	-	34,661	-	34,661
ENABEL	87,453	-	87,453	29,506	-	29,506
European Commission	2,333,811	-	2,333,811	1,241,503	-	1,241,503
Farmamundi	110,985	-	110,985	-	-	-
Foreign, Commonwealth & Development Office	6,611	-	6,611	-	-	-
GIZ	627,542	-	627,542	782,610	-	782,610
IMVF	-	-	-	222,033	-	222,033
International Fertilizer Development Center	214,536	-	214,536	-	-	-
International Organisation for Migration	960,613	-	960,613	114,091	-	114,091
Irish Aid	-	-	-	1,187,568	-	1,187,568
ICP – International Potato Centre	-	-	-	28,699	-	28,699
Livelihoods Funds	117,859	-	117,859	-	-	-
Ministry of Agriculture	-	-	-	159,002	-	159,002
Miscellaneous income	125,098	-	125,098	25,253	-	25,253
UNDP	45,127	-	45,127	38,851	-	38,851
VIS	-	-	-	75,844	-	75,844
Penny Appeal	558,015	-	558,015	94,110	-	94,110
Palladium International	-	-	-	75,163	-	75,163
Swedish International Development Co-operation Age	352,733	-	352,733	296,853	-	296,853
SDC (Swedish Development Corporation)	140,707	-	140,707	183,275	-	183,275
University of Strathclyde	90,855	-	90,855	203,034	-	203,034
Waitrose Foundation	-	113,297	113,297	-	-	-
Waterloo Foundation	20,698	-	20,698	19,250	-	19,250
USAID	229,340	140,574	369,914	578,060	-	578,060
World Food Programme	-	-	-	87,916	-	87,916
WBC	11,775	-	11,775	12,451	-	12,451
Total	9,038,080	2,012,842	11,050,922	7,942,491	1,645,659	9,588,150

United Purpose

Notes to the financial statements

For the year ended 31 March 2021

3 Income from charitable activities (continued)

	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Health and Wellbeing						
AMF (Against Malaria Foundation)	142,758	–	142,758	456,098	–	456,098
Brewgooder	–	–	–	35,210	–	35,210
Charity Water	664,291	–	664,291	822,291	–	822,291
Department for International Development	–	–	–	25,263	–	25,263
Electric Aid	11,521	–	11,521	–	–	–
European Commission	2,634,809	–	2,634,809	1,313,007	–	1,313,007
Farmamundi	64,767	–	64,767	88,399	–	88,399
Foreign, Commonwealth & Development Office	114,525	–	114,525	–	–	–
GIZ	630,004	–	630,004	127,742	–	127,742
Irish Aid	27,665	–	27,665	–	–	–
Miscellaneous income	179,943	7,195	187,138	62,317	–	62,317
Mwater	38,972	–	38,972	33,398	–	33,398
One Foundation	244,408	–	244,408	161,441	–	161,441
Penny Appeal	188,306	–	188,306	–	–	–
PZ Cussons	–	–	–	71,778	–	71,778
UNDP	52,122	–	52,122	–	–	–
UNICEF	131,263	–	131,263	218,217	–	218,217
University of Strathclyde	–	–	–	226,604	–	226,604
UNOPS (GSF)	396,056	–	396,056	525,181	–	525,181
WCVA	466,027	–	466,027	–	–	–
World Food Programme	–	–	–	108,740	–	108,740
	<u>5,987,437</u>	<u>7,195</u>	<u>5,994,632</u>	<u>4,275,687</u>	<u>–</u>	<u>4,275,687</u>
	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Exploitation and Conflict						
Comic Relief	166,179	–	166,179	53,591	–	53,591
Miscellaneous income	2,538	–	2,538	112,770	–	112,770
Islamic Relief	–	–	–	261,939	–	261,939
International Organisation for Migration (IOM)	–	–	–	207,074	–	207,074
PRODEM	–	–	–	459	–	459
Penny Appeal	93,027	–	93,027	136,300	–	136,300
	<u>261,744</u>	<u>–</u>	<u>261,744</u>	<u>772,132</u>	<u>–</u>	<u>772,132</u>
	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Environment						
Action Aid	14,228	–	14,228	–	–	–
CEPF	–	–	–	59,015	–	59,015
CO2 BALANCE	43,218	–	43,218	56,250	–	56,250
GIZ	89,259	–	89,259	256,681	–	256,681
	<u>146,705</u>	<u>–</u>	<u>146,705</u>	<u>371,946</u>	<u>–</u>	<u>371,946</u>

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)

	2021 £	2020 £
Concern Worldwide	19,247	–
USAID – AGDIV	–	86,071
UNICEF – Cyclone IDAI Response	–	743
UNICEF COVID Response	–	1,102
World Food Programme, Foodstuffs for distribution in Malawi	–	–
Total Gifts in Kind	<u>19,247</u>	<u>87,916</u>

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

United Purpose

Notes to the financial statements

For the year ended 31 March 2021

7a Total resources expended (current year)

	Costs of raising funds £	Charitable activities				Support costs £	Governance costs £	2021 Total £	2020 Total £
		Livelihoods £	Health and Wellbeing £	Exploitation and Conflict £	Environment £				
Staff costs (note 10)	205,187	1,041,314	601,903	25,782	11,491	845,618	155,140	2,886,435	2,820,554
Office costs	42,502	807,327	466,653	19,989	8,909	317,245	28,349	1,690,974	1,232,946
Transport	-	63,497	36,702	1,572	701	11,268	-	113,740	200,879
Equipment (not capitalised)	-	136,693	79,011	3,384	1,508	60,385	-	280,981	311,946
Grants payable to partners (note 8a)	-	518,182	1,773,052	143,025	8,501	-	-	2,442,760	2,244,287
Other project activities	-	8,841,753	2,355,232	33,805	70,313	-	-	11,301,103	11,814,336
Total resources expended	247,689	11,408,766	5,312,553	227,557	101,423	1,234,516	183,489	18,715,993	18,624,948
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 2021	247,689	12,287,432	5,820,440	249,312	111,120	-	-	18,715,993	18,624,948

7b Total resources expended (prior year)

	Costs of raising funds £	Charitable activities				Support costs £	Governance costs £	2020 Total £
		Livelihoods £	Health and Wellbeing £	Exploitation and Conflict £	Environment £			
Staff costs (note 10)	210,165	985,850	529,645	86,162	28,235	957,119	23,379	2,820,554
Office costs	127,172	411,835	221,257	35,994	11,795	398,245	26,648	1,232,946
Transport	34,346	75,622	40,628	6,609	2,166	41,508	-	200,879
Equipment (not capitalised)	473	104,955	56,387	9,173	3,006	137,953	-	311,946
Grants payable to partners (note 8a)	-	1,357,471	729,297	118,641	38,878	-	-	2,244,287
Other project activities	-	8,376,231	2,746,216	502,208	189,681	-	-	11,814,336
Total resources expended	372,156	11,311,965	4,323,430	758,785	273,761	1,534,825	50,027	18,624,949
Support costs	-	928,348	498,752	81,136	26,588	(1,534,825)	-	-
Governance costs	-	30,259	16,257	2,645	867	-	(50,027)	-
Total expenditure 2020	372,156	12,270,572	4,838,439	842,566	301,216	-	-	18,624,949

United Purpose

Notes to the financial statements

For the year ended 31 March 2021

8a Grants payable to partners (current year)

	Livelihoods £	Health and Wellbeing £	Exploitation and Conflict £	Environment £	2021 Total £	2020 Total £
Bangladesh	249,895	1,311,162	–	–	1,561,057	1,407,472
Brazil	3,766	–	10,964	–	14,730	56,479
Gambia	264,521	206,000	6,936	8,501	485,958	626,254
Kenya	–	–	125,125	–	125,125	–
Nigeria	–	255,890	–	–	255,890	154,082
Total resources expended	518,182	1,773,052	143,025	8,501	2,442,760	2,244,287

8b Grants payable to partners (prior year)

	Livelihoods £	Health and Wellbeing £	Exploitation and Conflict £	Environment £	2020 Total £
Bangladesh	851,318	457,368	74,404	24,382	1,407,472
Brazil	34,162	18,353	2,986	978	56,479
Gambia	378,793	203,506	33,106	10,849	626,254
Nigeria	93,198	50,070	8,145	2,669	154,082
Total resources expended	1,357,471	729,297	118,641	38,878	2,244,287

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

	2021 Total £	2020 Total £
Bio Fortification – The Gambia	157,598	–
GAIN – Bangladesh	173,315	130,698
Go Echo – The Gambia	93,866	–
IDF – Bangladesh	336,185	307,689
HELVETAS– Bangladesh	911,302	615,734
MMS – Bangladesh	–	121,607
MTG – Kenya	125,125	–
NEMA HORTICULTURE – The Gambia	–	–
PRFFHC – Gambia	–	75,193
PRGWER – Nigeria	23,328	34,261
PRLOG – Nigeria	54,177	32,046
PROBA – Nigeria	44,788	–
PRWASDA – Gambia	–	179,515
SMKK – Bangladesh	–	231,744
Tekki Jiggen – Gambia	59,364	–
WASDA – Gambia	–	146,217
Grants under £50,000	463,712	369,585
Total	2,442,760	2,244,287

United Purpose

Notes to the financial statements

For the year ended 31 March 2021

9 Net outgoing resources for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	171,284	197,909
Trustees' indemnity insurance	6,033	8,312
Trustees' expenses	36	369
Loss on disposal	–	3,334
Auditors' remuneration:		
▪ Audit	27,000	26,400
▪ Audit – Donor audits	–	–
Operating lease rentals:		
▪ Property	260,965	277,952
▪ Other	1,259	1,792
	260,965	277,952
	1,259	1,792

The number of trustees receiving expenses was 1 (2020: 1). Remuneration received by trustees was nil (2020: Nil).

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

	UK and International £	Overseas £	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

	UK and International £	Overseas £	2020 £
Salaries and wages	1,042,276	1,506,365	2,548,641
Redundancy and termination costs	–	–	–
Social security costs	81,102	–	81,102
Pension contributions	32,278	–	32,278
Other staff costs	35,006	123,527	158,533
	1,190,662	1,629,892	2,820,554

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

	2021 £	2020 £
£60,000 – £69,999	3	–
£70,000 – £79,999	–	2
Total	3	2

The total employee benefits including pension contributions of the key management personnel were £274,217 (2020: £286,661).

United Purpose

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For the year ended 31 March 2021

11 Staff numbers

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

	UK and International No.	Overseas No.	2021 No.	2020 No.
Charity				
Operations	26	294	320	362
Fundraising and publicity	7	–	7	4
Governance	2	–	2	2
Subsidiary (CUMO)				
Operations	–	211	211	161
Subsidiary (Village Aid)				
Fundraising and publicity	–	–	–	1
Total Group Employees	35	505	540	530
Gender Analysis				
Male	14	352	366	
Female	21	153	174	

12 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none).

Aggregate donations from related parties were None (2020: 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

	Land and buildings £	Drilling Rig £	Office furniture & equipment £	Vehicles £	Total £
Group:					
COST					
At 1 April 2020	329,979	82,600	458,931	1,047,143	1,918,653
Additions in year	6,103	–	54,035	114,027	174,165
Disposals in year	–	–	–	(10,578)	(10,578)
Adjustment to classification	–	–	(40,186)	(16,911)	(57,097)
At 31 March 2021	336,082	82,600	472,780	1,133,681	2,025,143
DEPRECIATION					
At 1 April 2020	74,928	58,113	236,336	802,671	1,172,048
Charge for the year	4,412	7,502	66,067	93,303	171,284
Elimination on disposal	–	–	(126)	(9,858)	(9,984)
Adjustment to classification	1,849	–	(13,871)	(55,011)	(67,033)
At 31 March 2021	81,189	65,615	288,406	831,105	1,266,315
NET BOOK VALUE					
At 31 March 2021	254,893	16,985	184,374	302,576	758,828
At 31 March 2020	255,051	24,487	222,595	244,472	746,605
Charity:					
COST					
At 1 April 2020	126,526	82,600	342,652	799,632	1,351,410
Additions in year	–	–	32,413	34,411	66,824
Disposals in year	–	–	–	(4,423)	(4,423)
Adjustment to classification	–	–	(40,186)	(16,911)	(57,097)
At 31 March 2021	126,526	82,600	334,879	812,709	1,356,714
DEPRECIATION					
At 1 April 2020	74,928	58,114	162,616	650,281	945,939
Charge for the year	4,412	7,502	53,078	55,126	120,118
Elimination on disposal	–	–	(126)	(4,319)	(4,445)
Adjustment to classification	2,157	–	(13,871)	(55,011)	(66,725)
At 31 March 2021	81,497	65,616	201,697	646,077	994,887
NET BOOK VALUE					
At 31 March 2021	45,029	16,984	133,182	166,632	361,827
At 31 March 2020	51,598	24,486	180,036	149,351	405,471

All tangible fixed assets are used for direct charitable purposes.

United Purpose

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For the year ended 31 March 2021

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 year to 31 December 2020. These accounts, adjusted to the year to 31 March 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 year to 31 March 2021 has been consolidated on a line by line basis.

	2021 £	2020 £
United Purpose Trading Ltd Profit and Loss Account		
Turnover	669,067	442,556
Gross profit	669,067	442,556
Admin & distribution costs	87,354	2,664
Operating profit	581,713	439,892
Realised Exchange (Loss)/Gains	5,816	-
Gift aid to parent undertaking	(698,740)	(327,962)
Profit on ordinary activities before taxation	(111,210)	111,930
Taxation	-	-
Profit for the financial year	(111,210)	111,930
The aggregate of the assets, liabilities and funds was:		
	Need to update note to reflect final UPT accounts	
	2021 £	2020 £
Assets	50,557	111,930
Liabilities	(49,837)	-
Funds	720	111,930
	JW updated	

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 year ended 31 March 2021 and assets and liabilities as at 31 March 2021 are shown below. Full accounts are filed with the Charity Commission and Companies House.

Village Aid income and expenditure summary

	Restricted £	Unrestricted £	2021 £	Restricted £	Unrestricted £	2020 £
Income	48,955	71,597	120,552	9,000	76,788	85,788
Expenditure	(19,000)	(54,767)	(73,767)	(7,200)	(78,330)	(85,530)
Net incoming/(outgoing) resources for the year	29,955	16,830	46,785	1,800	(1,542)	258
Funds at the start of the year	9,000	30,674	39,674	7,200	32,216	39,416
Prior Year Adjustment	-	5,000	5,000	-	-	-
Funds at the end of the year	38,955	52,504	91,459	9,000	30,674	39,674

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

United Purpose

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For the year ended 31 March 2021

15 Subsidiary undertakings (continued)

Village Aid balance sheet

	2021 £	2020 (as restated) £
Assets	138,986	89,860
Liabilities	(47,527)	(45,186)
	91,459	44,674
Restricted funds	38,955	9,000
Unrestricted funds	52,504	35,674
	91,459	44,674

16 Parent charity

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

	2021 £	2020 £
Gross income	17,893,844	16,870,882
Result for the year	635,130	218,657

17 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	26,597	20,992	20,751	20,992
CUMO outstanding client loans	1,553,971	1,592,023	-	-
Amounts due from donors	426,194	455,153	426,194	455,153
Prepayments	105,640	91,447	105,640	91,447
Other debtors	207,690	569,089	296,372	447,563
	2,320,092	2,728,704	848,957	1,015,155

18 Creditors : Amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Taxation and social security costs	135,240	183,670	116,893	160,170
Trade creditors	754,941	728,409	621,817	728,409
Accruals	79,082	112,128	76,022	112,128
CUMO loan collateral fund	210,989	228,458	-	-
Insurance Premiums	-	-	-	-
Sundry creditors and provisions	1,162,302	1,126,806	1,062,324	743,953
	2,342,554	2,379,471	1,877,056	1,744,660

19 Creditors : Amounts falling due greater than one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Amounts payable in 1-2 years:				
CUMO – amounts due to funders	28,988	182,202	-	-
	28,988	182,202	-	-

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

Group:	Restricted funds £	Designated funds £	CUMO £	General funds £	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

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

Group:	Restricted funds £	Designated funds £	CUMO £	General funds £	Total funds £
Tangible fixed assets	–	–	341,131	405,474	746,605
Current assets	2,892,548	–	1,990,547	2,225,847	7,108,942
Current liabilities	–	–	(475,933)	(1,903,537)	(2,379,470)
Long term liabilities	–	–	(182,202)	–	(182,202)
Net assets at 31 March 2020	2,892,548	–	1,673,543	727,784	5,293,875

21 Operating lease commitments

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

Group	Property 2021 £	2020 £	Equipment 2021 £	2020 £
0 – 1 year	260,965	277,952	1,259	1,792
1 – 2 years	66,624	70,709	1,259	1,259
2 – 5 years	1,034	2,242	3,357	3,777
	328,623	350,903	5,875	6,828

Charity	Property 2021 £	2020 £	Equipment 2021 £	2020 £
0 – 1 year	253,301	270,180	1,259	1,792
1 – 2 years	66,624	70,004	1,259	1,259
2 – 5 years	1,034	2,242	3,357	3,777
	320,959	342,426	5,875	6,828

22a Movements in funds (current 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	9,057,328	(9,190,913)	487,730	2,637,530
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	15,502,169	(14,832,446)	500,506	4,062,777
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	1,736,950	(1,565,783)	(500,506)	363,143
Total unrestricted funds	2,401,326	4,270,053	(3,883,547)	(500,506)	2,287,326
Total funds	5,293,874	19,772,222	(18,715,993)	–	6,350,103

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 2019 £	Incoming and gains £	Expenditure and losses £	Transfers £	At 31 March 2020 £
Exploitation and conflict	157,105	772,132	(842,566)	(74,934)	11,737
Health and Wellbeing	1,269,303	4,275,687	(4,838,439)	(136,652)	569,899
Livelihoods	1,895,183	8,030,406	(7,915,092)	272,888	2,283,385
Environment	22,546	371,946	(301,216)	(71,249)	22,027
held by Village Aid	7,200	5,500	(7,200)	–	5,500
Total restricted funds	3,351,337	13,455,671	(13,904,513)	(9,947)	2,892,548
Unrestricted funds:					
<i>Designated funds:</i>					
Malawi					
Sustainable energy fund	70,941	179,555	(216,373)	(34,123)	–
Eureka rig	37,637	–	–	(37,637)	–
Gambia					
Vehicle replacement	49,305	41,205	(49,414)	(41,096)	–
<i>Total designated funds</i>	157,883	220,760	(265,787)	(112,856)	–
General Funds held by CUMO	1,377,359	1,668,553	(1,372,369)	–	1,673,543
General Funds held by Village Aid	32,016	80,441	(77,356)	200	35,301
General Funds held by United Purpose Trading	–	442,556	(442,556)	–	–
General funds	403,527	2,728,720	(2,562,368)	122,603	692,482
Total unrestricted funds	1,970,785	5,141,030	(4,720,436)	9,947	2,401,326
Total funds	5,322,123	18,596,701	(18,624,949)	–	5,293,874

United Purpose

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23 Analysis of cash at bank and in hand

	Charity £	Subsidiaries £	2021 Total £	2020 Total £
General accounts in the UK	401,668	180,960	582,628	529,267
Project specific accounts in the UK	1,886,218	–	1,886,218	1,740,487
Held in overseas accounts	2,748,636	424,029	3,172,665	2,091,561
Total cash funds held	<u>5,036,522</u>	<u>604,989</u>	<u>5,641,511</u>	<u>4,361,315</u>

24 Capital Commitments

At the 31 March 2021 there were no capital commitments (2020: Nil).

25 Contingent Assets

As at 31 March 2021, the number of carbon credits held by United Purpose is 8,774 units (2020: 334,637 units). These units were sold after March 2021 for (8,774 x €2.90) with a price range per unit of €2.63/t to €2.90/t and contributed towards the general funds of the charity.

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 Post balance sheet events

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 two directors from Self Help Africa 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.