

Registered number: 05889426
Charity number: 1118916

**EMPOWER - THE EMERGING
MARKETS FOUNDATION LIMITED**

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2016

**LUBBOCK FINE
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB**

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
(A Company Limited by Guarantee)

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EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2016

Trustees	Marc Balston Marta Cabrera Xavier Corin-Mick Eric Levine (appointed 14 March 2016) Jeremy Llewelyn Pontso Mafethe Christopher Milner (resigned 31 December 2016) Parvoleta Shtereva Ozan Tarman Gergana Thiel Aditi Thorat Bradley Wickens Gareth Williams (resigned 22 February 2017) Helene Williamson Francisco Ybarra Vincenzo Zinni (resigned 31 December 2016) Marcin Wiszniewski (appointed 31 October 2016) Kunal Shah (appointed 31 October 2016) Fernando Ortega (appointed 31 October 2016) Pierre-Yves Bureau (appointed 22 February 2017) Peter Tolhurst (appointed 22 February 2017) Mike Lekan (appointed 22 February 2017) Khadijah Fancy (resigned 1 January 2016) Jonathan Baylis Rafael Biosse-Duplan (appointed 15 March 2016)
Company registered number	05889426
Charity registered number	1118916
Registered office	20-22 Bedford Row London WC1R 4JS
Principal operating office	C/o Finisterre Capital 10 New Burlington Street London W1S 3BE
Company secretary	Marta Cabrera
Independent auditors	Lubbock Fine Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2016

Advisers (continued)

Bankers

JP Morgan Chase Bank, N.A
125 London Wall
London
EC2Y 5AJ

Charities Aid Foundation
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2016

The Trustees present their annual report together with the audited financial statements of for the year ended 30 June 2016.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of the members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the company during the period were:

Marc Balston
Jonathan Bayliss
Rafael Biosse-Duplan (appointed 15/03/2016)
Marta Cabrera
Xavier Corin-Mick
Khadijah Fancy (resigned 01/01/2016)
Eric Levine (appointed 14/03/2016)
Jeremy Llewelyn
Pontso Mafethe
Christopher Milner (resigned 31/12/2016)
Parvoleta Shtereva
Ozan Tarman
Gergana Thiel
Aditi Thorat
Bradley Wickens
Gareth Williams (resigned 22/02/2017)
Helene Williamson
Francisco Ybarra
Vincenzo Zinni (resigned 31/12/2016)
Marcin Wiszniewski (appointed 31/10/2016)
Kunal Shah (appointed 31/10/2016)
Fernando Ortega (appointed 31/10/2016)
Pierre-Yves Bateau (appointed 22/02/2017)
Peter Tolhurst (appointed 22/02/2017)
Mike Lekan (appointed 22/02/2017)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

EMpower - The Emerging Markets Foundation Limited is a company limited by guarantee and governed by its Memorandum and Articles of Association.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2016

Appointment of directors

New Directors are recruited and nominated by the Executive Committee of the Board. The Executive Committee is composed of:

Jeremy Llewelyn, Co-Chair
Parvoleta Shtereva, Co-Chair
Marc Balston, Treasurer
Khadijah Fancy, Vice Chair
Marta Cabrera, Secretary

All of the Directors elected to the Board have a three year renewable term.

According to the Articles of Association, there is no limit to the number of directors appointed to the Board, and so the Board of Directors has resolved to continue to search for additional strategic directors.

The Board of Directors continuously reviews its competencies and is conscious of the need to maintain a balance of skills. Periodically, additional members are invited to join the Board, effectively becoming an additional director and this involves a careful vetting process by the Board to ensure that any new member is aware of his/her responsibilities towards the Foundation.

New Directors are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Board and decision making processes, the business plan and recent financial performance of the Charity.

Organisation

The Board of Directors administers the Charity. The Board meets once a year for the Annual General Meeting and convenes to meet when needed at different times of the year. The Secretary acts as a Chief Executive to manage the day-to-day operations of the Charity.

Related Parties

The sole member of the Charity is EMpower - The Emerging Markets Foundation, incorporated in the State of New York in the United States of America (EMpower US). While EMpower US manages the grantmaking operations of the Charity, the geographic focus and approval for all of the Charity's philanthropic distributions are decided by the Board of Directors of the Charity.

EMpower - The Emerging Markets Foundation Inc. has a further subsidiary undertaking, EMpower - The Emerging Markets Foundation (Hong Kong). EMpower HK's grantmaking operations is also managed by EMpower US though the Board of Directors approve distributions and geographic focus.

All three organisations have the same mission and actively promote their common goals throughout the world.

Risk Management

The Board of Directors are committed to a regular review of the major strategic, business and operational risks which the Charity faces with a view to ensuring that appropriate systems and procedures are in place to minimise these risks.

Public Benefit

In setting the objectives and planning the activities of EMpower - The Emerging Markets Foundation Limited, the Directors have given careful consideration to the Charities Commission's general guidance on public benefit.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2016

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are to promote education, good health, develop leadership and improved livelihoods, and to relieve poverty among at-risk young people, aged 10-24, in emerging markets and other developing countries.

The Charity carries out its objectives by raising funds from individuals, companies and other philanthropic institutions, and disbursing funds to locally led organisations in countries of interest to the Charity dedicated to supporting youth, especially girls and young women.

The Charity also engages our donors in effective philanthropy by giving them access to the social sector in these countries and making them aware of the needs and the opportunities for themselves to impact positive change.

The strategies employed to achieve the Charity's objectives are to:

On grantmaking

- identify, analyse and recommend for funding innovative local charities working amidst marginalised communities in emerging countries;
- monitor and evaluate the work of our grantees;
- leverage the networks close to the Charity so that our beneficiaries might leverage additional support;
- attempt to ensure sustainability of our grantees for the long term.

ACHIEVEMENTS AND PERFORMANCE

During the year ended 30 June 2016, the Charity disbursed \$1,489,150 to 42 organisations in 11 countries. All of these grants helped to further the Charity's mission of empowering at-risk youth around the world. The organisations funded with these grants are all dedicated to supporting programs advancing the health, education, leadership and livelihoods development of marginalized young people. For a list of these grants, kindly visit www.empowerweb.org.

In addition, the Charity held awareness raising events in London to broaden the base of supporters as well as attracting others from continental Europe. The Charity was successful in forming an Underwriting Group of renowned professionals in the Emerging Markets financial sector that commits multi-year funding to support its operations in order for 100% of other individual donors' contributions to go directly to supporting its grantees. To see the full list of Underwriters, kindly visit www.empowerweb.org

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2016

FINANCIAL REVIEW

During the financial year the Charity recognised incoming resources totalling \$2,148,865. This represented individual and institutional donations (including Gift Aid) and investment income.

On the expenses side, the Charity expended a total of \$2,830,715, of which \$2,453,295 was incurred directly to the fulfilment of the Charity's objectives, together with the support costs relating to these activities. The Charity donated \$1,489,150 in grants to community-based organisations in emerging countries dedicated to empowering young people.

The Charity held one fundraising dinner during the course of the year with expenditure totalling \$90,764. The dinner generated \$0.9 million of fundraising income, consisting of \$0.4 million in diner donations and \$0.5 million of matched and supplementary funding from corporate and individual underwriters, as well as promoting an expansion of awareness of the Charity throughout its core constituency of financial professionals. Other fundraising meetings, sports events and outreach were conducted during the course of the year and these resulted in generating additional contributions.

PLANS FOR FUTURE PERIOD

The Charity, through the UK Development and Engagement Manager and the Development and Communication Assistant, will continue to support the Board of Directors in its efforts to develop in London. Both the Board of Directors and staff will focus on raising the awareness of the Charity's work within its core constituency in the emerging markets financial sector, but also expand the reach to individuals and firms with a keen interest in these countries. Pursuant to this end, the Charity will continue to have constituent dinners, Grants Meetings and explore participation in such high-profile events such as the Virgin London Marathon.

The Charity will continue to review geographic priorities and other programmatic imperatives so that the grantmaking is ensured to be impactful to the communities it seeks to serve and relevant to its supporters.

The Charity will continue to distinguish itself by its participatory and transparent nature and will keep encouraging those interested to get involved in its work by attending Grants Meetings and by other means. If you would like to learn more about how to get involved with EMpower, kindly contact Neha Broota, UK Development and Engagement Manager, at nbroota@empowerweb.org.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2016

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Empower - The Emerging Markets Foundation for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees on 22/3/17 and signed on their behalf by:



Marta Cabrera
Company Secretary

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED

We have audited the financial statements of Empower - The Emerging Markets Foundation Limited for the year ended 30 June 2016 set out on pages 10 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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. 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2016 and of its 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Lee Facey (Senior Statutory Auditor)
for and on behalf of
Lubbock Fine
Chartered Accountants & Statutory Auditors
Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB
Date: 31/03/2017

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	Unrestricted funds 2016 \$	Restricted funds 2016 \$	Total funds 2016 \$	Total funds 2015 \$
INCOME FROM:					
Donations	2	978,863	180,483	1,159,346	1,809,760
Charitable activities	4	989,360	-	989,360	779,616
Investments	3	159	-	159	798
TOTAL INCOME		<u>1,968,382</u>	<u>180,483</u>	<u>2,148,865</u>	<u>2,590,174</u>
EXPENDITURE ON:					
Charitable activities:					
Other charitable activities		2,272,812	180,483	2,453,295	2,525,281
Other expenses		377,420	-	377,420	404,376
TOTAL EXPENDITURE	7	<u>2,650,232</u>	<u>180,483</u>	<u>2,830,715</u>	<u>2,929,657</u>
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		(681,850)	-	(681,850)	(339,483)
NET MOVEMENT IN FUNDS		(681,850)	-	(681,850)	(339,483)
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,270,801	-	1,270,801	1,610,284
TOTAL FUNDS CARRIED FORWARD		<u>588,951</u>	<u>-</u>	<u>588,951</u>	<u>1,270,801</u>

All activities relate to continuing operations.

The notes on pages 13 to 22 form part of these financial statements.

All income and expenditure in 2015 related to unrestricted reserves except where highlighted in the notes.

BALANCE SHEET
AS AT 30 JUNE 2016

	Note	\$	2016 \$	\$	2015 \$
FIXED ASSETS					
Tangible assets	12		1,595		-
CURRENT ASSETS					
Debtors	13	267,960		84,759	
Cash at bank and in hand		981,753		1,972,322	
		<u>1,249,713</u>		<u>2,057,081</u>	
CREDITORS: amounts falling due within one year	14	<u>(662,357)</u>		<u>(786,280)</u>	
NET CURRENT ASSETS			<u>587,356</u>		<u>1,270,801</u>
NET ASSETS			<u><u>588,951</u></u>		<u><u>1,270,801</u></u>
CHARITY FUNDS					
Unrestricted funds	15		<u>588,951</u>		<u>1,270,801</u>
TOTAL FUNDS			<u><u>588,951</u></u>		<u><u>1,270,801</u></u>

The financial statements were approved by the Trustees on 22/3/17 and signed on their behalf, by:

Jeremy Llewelyn
Co-chair

Parvoleta Shtereva
Co-chair

Marc Balston
Treasurer

The notes on pages 13 to 22 form part of these financial statements.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	17	(988,974)	340,709
Cash flows from investing activities:			
Purchase of tangible fixed assets		(1,595)	-
Net cash used in investing activities		(1,595)	-
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		1,972,322	1,631,613
Cash and cash equivalents carried forward	18	981,753	1,972,322

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

Empower - The Emerging Markets Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

First time adoption of FRS 102

It is the first year that the company has presented its financial statements under SORP 2015 and FRS 102. The financial statements of Empower - The Emerging Markets Foundation Limited for the year ended 30 June 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

The changes in accounting policies arising from the changes in the reporting framework have not affected the reported financial position and performance of the charity. The additional disclosures required under the new reporting framework have been included in the Financial Statements.

The last financial statements prepared under previous UK GAAP were for the year ended 30 June 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 July 2014.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES (continued)

1.4 Donations

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. If there are donor restrictions and the funds have been received then these are recognised as restricted funds.

Gifts in kind and donated services are valued and included in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure.

1.5 Grants payable

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the company. The grants are accounted for where either the trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the charity.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment - 25% straight line

1.7 Interest receivable

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

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and 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.

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES (continued)

1.11 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 amortised cost.

1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account.

The accounts have been prepared in US dollars as this is the operating currency of the charity.

1.13 Pensions

The company contributes to a group personal pension scheme and the pension charge represents the amounts payable by the Charity in respect of the year.

1.14 VAT

The Charity is not registered for VAT and its expenses are therefore inflated by VAT which cannot be recovered

1.15 Resources expended

Expenditure, which is charged on an accruals basis, is allocated between:

- Expenditure incurred directly to the fulfilment of the Charity's objectives together with support costs relating to these activities,
- Expenditure incurred in order to raise funds for charitable activities including support costs, and
- Expenditure incurred in the governance of the Charity and its assets.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

2. INCOME FROM DONATIONS

	Unrestricted funds 2016 \$	Restricted funds 2016 \$	Total funds 2016 \$	Total funds 2015 \$
Donations	978,863	180,483	1,159,346	1,809,760

In 2015, of the total income from donations and legacies, \$1,599,248 was to unrestricted funds and \$210,512 was to restricted funds.

3. INVESTMENT INCOME

	Unrestricted funds 2016 \$	Restricted funds 2016 \$	Total funds 2016 \$	Total funds 2015 \$
Bank interest receivable	159	-	159	798

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 \$	Restricted funds 2016 \$	Total funds 2016 \$	Total funds 2015 \$
Fundraising activities	989,360	-	989,360	779,616

5. GRANTS PAYABLE

	Grants to Institutions 2016 \$	Total 2016 \$	Total 2015 \$
Grant funding activities	1,489,150	1,489,150	1,815,950

In the current year, of the total grants payable, \$1,308,667 was from unrestricted funds and \$180,483 was from restricted funds.

In 2015, of the total grants payable, \$1,605,438 was from unrestricted funds and \$210,512 was from restricted funds.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

6. DIRECT COSTS

	Fundraising activities	Total 2016	Total 2015
	\$	\$	\$
Management fees to EMpower US	809,346	809,346	471,714
	<u>809,346</u>	<u>809,346</u>	<u>471,714</u>

7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2016	Other costs 2016	Total 2016	Total 2015
	\$	\$	\$	\$
Grant funding activities including management fee	-	2,298,496	2,298,496	2,287,664
Support costs	-	154,799	154,799	237,617
	<u>-</u>	<u>2,453,295</u>	<u>2,453,295</u>	<u>2,525,281</u>
Charitable activities	-	2,453,295	2,453,295	2,525,281
	<u>-</u>	<u>2,453,295</u>	<u>2,453,295</u>	<u>2,525,281</u>
Other expenditure	209,371	168,049	377,420	404,376
	<u>209,371</u>	<u>168,049</u>	<u>377,420</u>	<u>404,376</u>
	<u>209,371</u>	<u>2,621,344</u>	<u>2,830,715</u>	<u>2,929,657</u>

8. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Grant funding of activities 2016	Support costs 2016	Total 2016	Total 2015
	\$	\$	\$	\$
Grant funding activities including management fee	2,298,496	-	2,298,496	2,258,229
Support costs	-	154,799	154,799	237,620
	<u>2,298,496</u>	<u>154,799</u>	<u>2,453,295</u>	<u>2,495,849</u>
Total	<u>2,298,496</u>	<u>154,799</u>	<u>2,453,295</u>	<u>2,495,849</u>

9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	\$	\$
Pension costs	8,284	11,527
Auditors' remuneration - audit	10,869	11,012
Auditors' remuneration - other services	5,435	5,506
Exchange (gains)/losses	77,555	90,915
	<u>77,555</u>	<u>90,915</u>

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

10. STAFF COSTS

Staff costs were as follows:

	2016	2015
	\$	\$
Wages and salaries	181,222	219,558
Social security costs	19,865	22,556
Other pension costs	8,284	11,527
	<u>209,371</u>	<u>253,641</u>

The average number of persons employed by the company during the year was as follows:

2016	2015
No.	No.
3	3

The number of higher paid employees was:

	2016	2015
	No.	No.
In the band £60,001 - £70,000	-	1

None of the Trustees received any remuneration or reimbursement of expenses during the year (2015 - £nil).

Total remuneration paid to key management personnel was £nil (2015 - £nil).

11. TAXATION

There is no charge to corporation tax due to the nature of the activities carried out by the organisation.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

12. TANGIBLE FIXED ASSETS

	Computer equipment \$
Cost	
At 1 July 2015	-
Additions	1,595
	<hr/>
At 30 June 2016	1,595
	<hr/>
Depreciation	
At 1 July 2015 and 30 June 2016	-
	<hr/>
Net book value	
At 30 June 2016	1,595
	<hr/> <hr/>
At 30 June 2015	-
	<hr/> <hr/>

13. DEBTORS

	2016 \$	2015 \$
Grants and donations receivable	38,536	18,319
Amounts owed by group undertakings	-	21,521
Gift aid recoverable	200,588	7,353
Other debtors	157	5,329
Prepayments and accrued income	28,679	32,237
	<hr/>	<hr/>
	267,960	84,759
	<hr/> <hr/>	<hr/> <hr/>

14. CREDITORS: Amounts falling due within one year

	2016 \$	2015 \$
Amounts owed to group undertakings	152,246	-
Other creditors	78,111	30,330
Grants payable	432,000	755,950
	<hr/>	<hr/>
	662,357	786,280
	<hr/> <hr/>	<hr/> <hr/>

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

15. STATEMENT OF FUNDS

	Brought Forward \$	Income \$	Expenditure \$	Carried Forward \$
Unrestricted funds				
General funds	670,801	1,968,382	(2,650,232)	(11,049)
Reserves	600,000	-	-	600,000
	<u>1,270,801</u>	<u>1,968,382</u>	<u>(2,650,232)</u>	<u>588,951</u>
Restricted funds				
Private foundation	-	142,107	(142,107)	-
Emerging Markets Benefit Limited fund	-	38,376	(38,376)	-
	<u>-</u>	<u>180,483</u>	<u>(180,483)</u>	<u>-</u>
Total of funds	<u><u>1,270,801</u></u>	<u><u>2,148,865</u></u>	<u><u>(2,830,715)</u></u>	<u><u>588,951</u></u>

Restricted funds:

These comprise donations received for the specific projects that the charitable company administers and are as follows:

Emerging Markets Benefit Limited fund:

Amounts received from this donor for specific projects to be undertaken by the Charity.

Private Foundation fund:

Amounts received from this donor for specific projects to be undertaken by the Charity.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 \$	Restricted funds 2016 \$	Total funds 2016 \$	Total funds 2015 \$
Tangible fixed assets	1,595	-	1,595	-
Current assets	1,249,713	-	1,249,713	2,057,081
Creditors due within one year	(662,357)	-	(662,357)	(786,280)
	<u>588,951</u>	<u>-</u>	<u>588,951</u>	<u>1,270,801</u>

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	\$	\$
Net expenditure for the year (as per Statement of financial activities)	(681,850)	(339,483)
Adjustment for:		
(Increase)/decrease in debtors	(183,201)	481,782
(Decrease)/increase in creditors	(123,923)	198,410
Net cash (used in)/provided by operating activities	<u>(988,974)</u>	<u>340,709</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016	2015
	\$	\$
Cash in hand	981,753	1,972,322
Total	<u>981,753</u>	<u>1,972,322</u>

19. PENSION COMMITMENTS

The Charity contributes to a group personal pension scheme.

The pension costs per the Statement of Financial Activities represent contributions due from the company and amounted to \$8,284 (2015 - \$11,527).

At the year end the charity had a \$102 (2015 - \$429 debtor) pension liability.

EMPOWER - THE EMERGING MARKETS FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

20. RELATED PARTY TRANSACTIONS

- a) At the balance sheet date \$117,191 (2015 - \$19,333 due from) was due to EMpower - The Emerging Markets Foundation, a not for profit organisation incorporated in the United States of America, in which Marta Cabrera is also a Trustee. Marta Cabrera, secretary of the charity is also an employee of EMpower - the Emerging Markets Foundation. The balance is unsecured, interest free and repayable on demand.

During the year, management fees of \$809,346 (2015 - \$471,714) were payable to EMpower - The Emerging Markets Foundation for providing operating support.

- b) At the balance sheet date \$35,055 (2015 - \$2,188 due from) was due to EMpower - The Emerging Markets Foundation, a not for profit organisation incorporated in Hong Kong, in which Marta Cabrera is also a Trustee. The balance is unsecured, interest free and repayable on demand.
- c) The aggregate donations received by related parties for which there were no conditions during the year was \$456,033 (2015 - \$468,799).
- d) During the year donations of \$142,107 (2015 - \$154,876) were received from a private foundation of which a Trustee is a member. These donations were made to support specific grants payable. All such grants were made in line with the Charity's objectives.

21. PARENT ENTITY

The parent entity of EMpower UK is EMpower USA, a charity incorporated in the USA, by virtue of EMpower USA being the sole member of EMpower UK.