

Company Number: 06648679

Charity Number: 1126222

Malaria No More United Kingdom

Annual Report and Accounts

For the year ended 31 December 2016

Malaria No More United Kingdom

Reference and administrative details

Key management personnel

Trustees & directors

Simon Bland
Andrew Cook
Justine Frain Chair
Paul Green Treasurer
Onyeije Nwokorie
Philip Thomas
Linda Yueh

Senior Management

James Whiting Executive Director
Annemarie Meyer Director of Advocacy and Policy
Kate Wills Director of Communications and Partnerships
Bernie Aryeetey Deputy Director of Global Advocacy

Company number

06648679

Charity number

1126222

Registered Office

Unit G10
The Foundry
17 Oval Way
London
SE11 5RR

Auditors

Derek Rothera & Company,
Units 15 & 16
7 Wenlock Road
London
N1 7SL

Bankers

CAF Bank (UK) Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Triodos Bank
Deanery Road
Bristol
BS1 5AS

Solicitors

Harbottle & Lewis LLP
Hanover House
14 Hanover Square
London
W1S 1HP

Malaria No More United Kingdom

Trustees' report for the year to 31 December 2016

The trustees are pleased to present their report together with the audited financial statements of the charity for the year to 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (revised 2015).

Structure, Governance and Management

Governing Document

Malaria No More United Kingdom is a charitable company limited by guarantee, incorporated on 16 July 2008 and registered as a charity on 8 October 2008. The company is governed by its Memorandum and Articles of Association.

Directors

The directors of the charitable company are its trustees for the purpose of charity law and the members of the company limited by guarantee. Throughout this report they are collectively referred to as the trustees.

The following individuals served as trustees during the year:

Matthew Anderson	(resigned July 2016)
Simon Bland	
Peter Chernin	(resigned July 2016)
Justine Frain	
Simon Fuller	(resigned July 2016)
Paul Green	
Onyeije Nwokorie	
David Schellenberg	(resigned February 2017)
Philip Thomas	

All trustees served for the full year unless otherwise stated above.

In addition, 2 new trustees have been appointed since the year end

Andrew Cook	(appointed July 2017)
Linda Yueh	(appointed July 2017)

No trustees had any beneficial interest in the charity and no remuneration of trustees is paid by the charity.

The Board of Trustees is responsible for the strategic direction, policy and overall governance of the charity.

The implementation of strategy once agreed and the day to day running and management of the charity's activities is delegated to the secretariat, led by the Executive Director.

Recruitment and appointment of new trustees

The Board periodically invites nominations of new trustees. These are discussed and agreed at Board meetings depending on the strategic needs of the charity. During the year the charity conducted a review of the skill set of the existing trustees prior to strengthening the Board. This is discussed below under *Board and Leadership*.

Risk Management

The trustees regularly review the risks the charity faces, and are satisfied that systems are in place to mitigate their exposure to the major risks.

During the year risk management focussed on the impact of the economic downturn on funding and resource mobilisation generally. In response to this the Charity has an ongoing strategy of growing its income through diversification of funding sources with a particular emphasis in the year under review on growing unrestricted "core" income. As discussed under *Financial Review* below these accounts demonstrate success in that respect.

Public Benefit

The Trustees confirm that they have complied with their duty under Section 17 (5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Malaria No More United Kingdom

Trustees' report for the year to 31 December 2016

Objectives and principal activities

Malaria No More UK (MNM UK) is a charity working to accelerate the end of the world's oldest and deadliest disease. Our mission is to catalyse and inspire the global partnerships, leadership and financing necessary to achieve a 90% reduction in malaria deaths by 2030, save 10 million lives, and put us on track to make malaria no more.

During 2016 our work was centred around the following three objectives:

1. That the UK Government take an overt global leadership position on malaria
2. That MNM UK is positioned to impact and influence global resources and political will for the malaria campaign beyond the UK
3. That we build partnerships with influencers and champions who have the power to transform the trajectory of malaria campaign.

Activities and Achievements 2016

During 2016 MNM UK was able to celebrate some significant successes, as our relatively small staff team – in partnership with a network champions from civil society, government, business and the media and public eye – secured over £3 billion for the malaria campaign through a renewed UK commitment to fighting malaria early in the year and an extremely successful Global Fund replenishment in September.

This success in securing vitally important funding that will be channelled into vital malaria research as well as programmes in malaria endemic countries, was supported by the efforts of a range of high profile partners and supporters determined to help keep malaria in the public eye – we were especially proud to see our logo on the arm of Wimbledon Champion Andy Murray throughout the 2016 tournament.

Most importantly 2016 saw the number of malaria cases and deaths globally continue to decline, with new cases falling by 21% and deaths by 29% globally, according to the WHO World Malaria Report 2016.

Despite these successes, we are conscious that to meet the ambitious World Health Organisation's 2020 targets of a 40% reduction in cases and deaths between 2015-20, saving approximately 2 million lives, a major renewed *global* commitment is required. 2016 saw us begin mobilising partners behind an era-defining campaign that will help put the world on a trajectory to ending the world's oldest and deadliest disease within a generation.

1. UK Government global leadership in the fight against malaria

The significant investment by Governments – in particular the US and the UK – in the malaria campaign, has been a powerful force in helping to drive down malaria deaths in the last decade. In 2016, amidst a turbulent political landscape with changes of leadership at both No. 10 and within the Department for International Development (DFID), MNM UK worked hard to ensure that UK Government maintain its strong track record in tackling malaria while helping to unlock investment from other donors internationally.

The year opened with the January announcement by the then Chancellor George Osborne of £500 million a year of UK government funding for malaria for 2015 – 2020. With DFID's malaria strategy and spending commitment ending in 2015, this assurance of sustained investment by the UK was an exceptional achievement for MNM UK and its allies.

MNM UK also played an active role in the Global Fund replenishment in September. The Global Fund to Fight AIDS, TB and Malaria channels half of all international financing for malaria and MNM UK worked in coalition with other civil society organisations, routinely taking a leading role in parliamentary activity aimed at encouraging the UK Government to increase its contribution. This was achieved with a pledge of £1.1 billion to the Global Fund for 2017-19 and the announcement of a matching fund designed to encourage private sector investment.

Our support and partnership-working with cross-party parliamentary malaria allies, including the All Party Parliamentary Group on Malaria and NTDs (APPMG) has been central to our success. We are proud to have organised several events designed to profile the success of the malaria campaign and to inspire further

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support, including a World Malaria Day reception in Parliament highlighting innovation and R&D and the global launch of the WHO World Malaria Report 2016 at which the Secretary of State for International Development Priti Patel MP served as the keynote speaker and significant social media and mainstream press coverage was secured.

2. Influencing global resources and political will for the malaria campaign beyond the UK

To meet the global target of doubled malaria funding it is essential that current donor commitments (including and beyond the UK) are enhanced and that endemic countries contribute significant increases in their domestic funding. We recognise that there is no other organisation whose main focus is on the increased global funding required, and so MNM UK and our affiliate Malaria No More in the United States are determined to step confidently into this critical space.

During 2016 we undertook important groundwork to help strengthen the global malaria community.

A renewed global malaria partnership – MNM UK was asked to project manage the transition of the "Roll Back Malaria Partnership" – the world's malaria campaign co-ordinating body – as it moved to a new host organisation and a new structure. Having appointed consultants to lead this work, MNM UK oversaw the appointment of a new RBM Board; transition to a new host organisation (UNOPS); the development of new governing Bye Laws; recruitment of a new CEO and re-engaging RBM partner organisations across the world and establishing important Partner Committees. The new RBM is now fully active as an important international force in the malaria fight.

A replenished and effective Global Fund – 2016 saw the 5th Replenishment Conference for the Global Fund to Fight AIDS, TB and Malaria. The Global Fund is a financing institution designed to accelerate the end of these three disease epidemics and it provides 50 percent of all international financing for malaria channels. Ensuring a successful replenishment – was a key focus for the year. In addition to working to secure a strong contribution from DFID, as described above, and from select countries in Europe (more below) our representation on the Global Fund Board allowed us help shape a new Global Fund Strategy which will see around 32% of the \$12.9bn replenishment funding allocated to malaria.

Partnership working in Italy and Germany – our work around the 2016 Global Fund replenishment addressed the absence of a strong and uniquely focussed "malaria voice" in Europe. As a pilot for proposed future activity we worked in partnership with NGOs in Italy and Germany with a view to significantly increasing those country's contributions.

In Italy, we combined the cultivation of political champions within the senate with the careful media placement of op-eds by our ambassadors David Beckham and Andy Murray. In Germany, we successfully influenced the key members of budget committees, culminating in a parliamentary event in September. The result - Italy announced a €140M grant (over 3 years) to the Global Fund which was a 40% increase on their previous grant. Germany increased its Global Fund contribution by 33% from the last replenishment, taking it to an €800M investment over 3 years.

Investing in frontline innovation saving and protecting lives in Kenya and Namibia – Our continued support for two ground-breaking malaria programmes in sub-Saharan Africa is designed to strengthen the national malaria control effort in two different settings and to pilot new methods of preventing and treating the disease for future scale-up, all whilst saving and protecting at risk communities from malaria. One of these sees us supporting the work of Community Health Workers in malaria elimination country, Namibia, the other is based in Kenya.

- **KENYA** - Since 2015 Malaria No More UK has been supporting on the ground partner PATH MACEPA in their work to reduce the impact of malaria in three sub-counties of Siaya County, Western Kenya. This is one of the most impoverished parts of the country, where malaria rates are approximately ten times higher than elsewhere in Kenya, and work is addressing an urgent need for more accessible and better malaria case management.

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Our investment focusses on training and deploying Community Health Workers (CHWs) who are now able to deliver community based testing and treatment of malaria for the first time – meaning that the local population can receive recommended anti-malarial drugs when they fall sick, rather than having to travel to health facilities often some distance away.

In 2016 the programme was further extended to an additional 10 Health facilities linked to 15 Community Units and serving an additional population of about 70,000 people.

Without the programme and its collaboration with the County government these patients may otherwise have gone untreated and could have developed severe malaria-related complications, or even died.

Malaria No More UK's Trustees have approved a further investment in this work for 2017 that will see a final phase of activities focussing on additional training, support and supervision for Community Health Volunteers to build their capacity, consolidate learnings and strengthen their skills in tracking malaria cases; allowing their reports to help target places where malaria interventions are needed most.



Tackling Malaria in Slaya County.

Since 2015:

Population of 210,000 served.

496 CHWs trained and active.

34,000 malaria patients treated in the community.

105,000 malaria patients treated in health facilities.

Laying the ground for a global malaria moment - In a challenging global economic and political climate, we have been looking for strategic opportunities to sustain and galvanise political action and financial commitment to the cause of ending malaria within a generation.

During 2016 we have been laying the foundations for a proposed global malaria moment and surrounding campaign which provides a step-change in finance, leadership commitment, tools and technology required to meet the ambitious global 2020 milestones (40% cut in cases and deaths 2015-20 and elimination in up to 21 countries) and put us on track towards ending malaria for good. Over the course of the year we have identified the Commonwealth Heads of Government Meeting in London in April 2018 as an ideal opportunity to focus on the importance of tackling the disease and have been working to bring together partners to persuade the UK Government to make malaria a key issue.

3. Working with influencers and champions to strengthen the malaria campaign

We make malaria an issue that the public care about and want to help to end. Our media and PR activity secured over 275 million opportunities to view, greatly strengthened by our Leadership Council Member Andy Murray wearing the Malaria No More logo on his kit throughout the Wimbledon Tournament - a significant awareness boost for both the charity and the wider campaign to end malaria.

Andy is one of a number of high profile champions active on our behalf during the year; David Beckham and singer/songwriter Aloe Blacc continued long-standing support and we were also pleased to welcome new ambassadors; TV presenter Charlie Webster who contracted serious malaria when she was at the Rio Olympics; young Premiership footballer Moses Odubajo who lost his mother to malaria when a teenager and award winning British Adventurer and extreme athlete Ash Dykes who contracted malaria during his record breaking solo-expedition across Madagascar.

As a small team our PR work has been given a huge boost through creative pro-bono partnerships with two big names in the advertising world. Publicis LifeBrands created a short promotional film *The Secret CEO* which was worked into a bigger campaign in 2017. During 2016 we were selected for a partnership with Dentsu - the 5th largest advertising group globally - malaria has been chosen as a focus issue for their pro-bono support around the Common Ground initiative from 2017-20.

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Trustees' report for the year to 31 December 2016

Plans for 2017

Over the next year the organisation will focus on inspiring Global Leadership and Financing:

1. *Drive a step-change in global commitment and resource mobilisation for malaria by the end of 2020 (with MNM the leading catalyst and driver of global leadership and resource mobilisation to defeat malaria)*
2. *Re-establish the UK's global leadership in the malaria campaign*
3. *Create and deliver a decade-defining Global Moment for Malaria in 2018 to catapult the campaign towards the 2020 and 2030 Goals*
4. *Strengthen MNM so that during 2018-30 it is strong enough to be a global pivot for ending malaria*

Malaria No More UK Board, Staff and Advisors.

As a small organisation, MNM UK's strength lies in catalysing action and leveraging relationships that enable us to identify most direct routes to decision makers. Influential Board Members and Advisors are critical to this as well as to our overall effectiveness. During 2016 three members of our Board resigned, 2 having served the maximum two three-year terms, with all now serving as either Founding Patron or Special Advisors, and we were delighted to take on three new advisors – all kindly donating their time and talents. Max Alexander, CEO of the Really Useful Group, to advise on strategy and business development, Polly Cochrane, a Director of Warner Bros, who advises on communications and former commercial lawyer David Laurence who provides legal advice.

Financial review

In 2016 Malaria No More UK's income grew by £963k or 91% and passed £2m for the first time. Support from the Bill and Melinda Gates Foundation (channelled via our US affiliate Malaria No More) remains key and grew in year to £1.4m (2015, £756k), while we also received £188k funding from the World Health Organisation.

We continue to focus our income generation efforts on developing funding partnerships with grant making foundations, companies and philanthropists. During 2016 the Charity was fortunate to receive continued support from a range of UK businesses and foundations including Rentokil Initial plc, Fever-Tree, Jack Wills, Atom Supplies, and Exotix Partners. We were also pleased to receive financial support from Simon Fuller and his business XIX Entertainment to cover the first year's rent in the charity's new premises (continuing a previous long-standing commitment of donated office space) and from several grant-making foundations who share our vision of a malaria free world.

Over the course of the year we joined the newly established Fundraising Regulator, demonstrating our commitment to good fundraising practice.

Expenditure during the period increased by £708k or 58% from £1.222m to £1.930m. Of this total 94% or £1.817m was spent on direct charitable activities (2015, £1.058m / 87%).

As a result of these factors, net incoming resources for the year were £96k (2015, net outgoing resources £159k).

In financial terms this is an excellent result but the Trustees are aware that the charity's income is volatile and the income growth in year is due in large part to a higher level of short-term project based funding than the charity has had in previous years. This creates a new challenge as we seek to build capacity in our policy and programmatic teams while simultaneously building the core of the organisation so that we can draw in the funding to support the charity's increased activities in the medium to long term. We consider this approach to be a good working balance between ambition and prudence at this point in the charity's development.

At the end of the period the charity's Balance Sheet remains very strong with net assets of £1.294m, £1.220m of which was unrestricted funds.

Reserves

The Trustees' policy is to maintain reserves, which are shown on the balance sheet as unrestricted funds, at a level sufficient to cover at least 6 months of its budgeted core costs, to allow the charity to manage short

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term fluctuations in income. Based on the charity's 2017 budget this would currently require reserves of at least £704k.

At the end of 2016 reserves at £1.239m were comfortably ahead of this target level. These have been built to allow the charity to plan significant investment in programme activity over the next 2 years including a high-profile campaign to galvanise global leaders and public to put the necessary resources behind the malaria campaign toward the historic WHO goal of a 40% cut in malaria cases and deaths.

Responsibilities of the trustees in relation to the financial statements

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees follow best practice to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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 the auditors

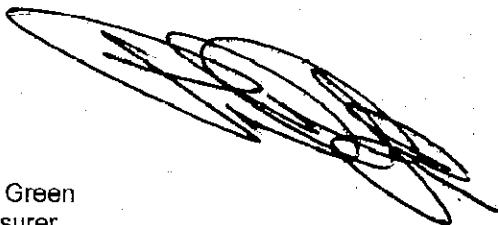
The trustees are not aware of any relevant audit information of which the charity's auditors are unaware. The trustees also confirm that they have taken all the steps required of trustees to make themselves aware of any relevant audit information, and establish that the charity's auditors are aware of that information.

Auditors

Derek Rothera & Company were re-appointed as auditors during the year.

This report was approved by the Board of Trustees on 15 September 2017 and signed on its behalf by:

Paul Green
Treasurer



Independent auditor's report to the trustees of Malaria No More United Kingdom

We have audited the accounts of Malaria No More United Kingdom for the year ended 31 December 2016 as set out on pages 9 to 17.

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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

The Trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom, Generally Accepted Accounting Practice) are set out in the Report of the Trustees

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 2006 and give a true and fair view. We also report to you whether in our opinion the information given in the Trustee's Report is consistent with the accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Council Members' remuneration specified by law are not made.

We read the Trustee's Report, and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustee in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:

- The accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities
- The accounts have been prepared in accordance with the Companies Act 2006 and Charities Act 2011; and
- The accounts give a true and fair view of the state of affairs of the Charity at 31 December 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- The information given in the Trustee's Report is consistent with the accounts.



Derek Rothera FCA
Senior Statutory Auditor
Derek Rothera & Company
Chartered Accountants and Registered Auditors
Units 15 & 16
7 Wenlock Road
London N1 7SL

Date

29/09/2017

Malaria No More UK

Consolidated Statement of Financial Activities

for the year to 31 December 2016

	Notes	2016 Unrestricted £	2016 Restricted £	2016 Total £	2015 Total £
Income					
Donations and legacies					
Grants		300	1,639,557	1,639,857	756,634
Donations		269,197	26,796	295,993	236,803
Gifts in kind		-	-	-	30,180
Income from trading operations		75,761	-	75,761	26,862
Investment income		10,957	-	10,957	11,373
Other income		4,243	-	4,243	1,444
Total Income	2	<u>360,458</u>	<u>1,666,353</u>	<u>2,026,811</u>	<u>1,063,296</u>
Expenditure					
Fund raising		62,774	50,551	113,325	163,576
Charitable activities		-	1,817,007	1,817,007	1,058,830
Total expenditure	3	<u>62,774</u>	<u>1,867,558</u>	<u>1,930,332</u>	<u>1,222,406</u>
Net income / expenditure		297,684	(201,205)	96,479	(159,110)
Transfers between funds		(159,065)	159,065	-	-
Net movement in funds		<u>138,619</u>	<u>(42,140)</u>	<u>96,479</u>	<u>(159,110)</u>
Reconciliation of funds					
Total funds brought forward		1,081,165	116,263	1,197,428	1,356,538
Total funds carried forward	8	<u><u>1,219,784</u></u>	<u><u>74,123</u></u>	<u><u>1,293,907</u></u>	<u><u>1,197,428</u></u>

Malaria No More UK

Consolidated Balance Sheet

as at 31 December 2016

	Notes	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Fixed assets					
Tangible assets	4	3,830	8,537	3,830	8,537
Investments	5	-	-	1	1
Total fixed assets		<u>3,830</u>	<u>8,537</u>	<u>3,831</u>	<u>8,538</u>
Current assets					
Debtors	6	37,468	37,184	87,471	99,444
Cash at bank and in hand		2,503,732	1,647,677	2,449,926	1,583,580
Total current assets		<u>2,541,200</u>	<u>1,684,861</u>	<u>2,537,397</u>	<u>1,683,024</u>
Creditors: amounts falling due within one year	7	(1,251,123)	(495,970)	(1,247,321)	(494,135)
Net current assets		<u>1,290,077</u>	<u>1,188,891</u>	<u>1,290,076</u>	<u>1,188,889</u>
Net assets		<u>1,293,907</u>	<u>1,197,428</u>	<u>1,293,907</u>	<u>1,197,427</u>
 Unrestricted funds		 1,219,784	 1,081,165	 1,219,784	 1,081,164
Restricted funds		74,123	116,263	74,123	116,263
Total funds	8	<u>1,293,907</u>	<u>1,197,428</u>	<u>1,293,907</u>	<u>1,197,427</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements have been audited under section 151 of the Charities Act.

The notes on pages 12 to 17 form part of these accounts.

Approved by the Board on 15 September 2017 and signed on their behalf by

Paul Green
Treasurer

Malaria No More UK

Consolidated Statement of Cash Flows

for the year end to 31 December 2016

	2016 £	2015 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	96,479	(159,110)
Adjustments for:		
Depreciation charges	4,706	4,708
(Increase)/decrease in debtors	(912)	(6,184)
(Increase)/decrease in accrued income	629	11,660
Increase/(decrease) in creditors	(93,163)	(26,277)
Increase/(decrease) in deferred income	848,316	274,247
Net cash provided by (used in) operating activities	856,055	99,044
Cash flows from Investing activities		
Purchase of fixed assets	-	(11,492)
Net cash provided by (used in) investing activities	-	(11,492)
Net Increase/(decrease) in cash and cash equivalents	856,055	87,552
Cash and cash equivalents at beginning of year	1,647,677	1,560,125
Cash and cash equivalents at end of year	2,503,732	1,647,677

Malaria No More UK

Notes to the accounts for the year to 31 December 2016

1 Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(a) Basis of accounting

These financial statements have been prepared under the historical cost convention in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' effective January 2015 (the Charities SORP (FRS 102)), UK accounting standards, including 'Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Companies Act 2006. The charity is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The charity has adopted FRS 102 this year, having previously applied the Financial Reporting Standard for Smaller Entities. No adjustments have been made to the prior year balances in respect of this transition, except that net gains/losses on investments are now presented within, rather than after, net income and additional disclosures are provided.

The financial statements are prepared in Sterling which is the functional currency of the charity.

(b) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Malaria No More UK Trading Limited on a line by line basis. A separate Statement of Financial Activities, and income and expenditure account, for the charity itself are not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

(c) Fund accounting

- (i) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- (ii) Restricted funds are subject to specific conditions imposed by the donor as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

(d) Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

- (i) Donations and legacies are received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants receivable are recognised when the charity becomes unconditionally entitled to the grant.
- (ii) Donated services and facilities (gifts in kind) are included at the value to the charity where this can be quantified.
- (iii) The value of services provided by volunteers has not been included as income in these accounts.
- (iv) Investment income is included when receivable.

(e) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred, and includes any VAT which cannot be fully recovered.

- (i) Expenditure on charitable activities comprises expenditure related to the direct furtherance of the charity's objectives. Grants payable are included under charitable expenditure when a contract is signed with the grantee. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources.
- (ii) Support costs relate to those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel and governance costs. These costs have been allocated to fund raising and specific areas of charitable activity on a basis consistent with the use of resources.
- (iii) The value of services provided by volunteers has not been included as expenditure in these accounts.

(f) Tangible fixed assets and depreciation

Tangible fixed assets costing over £500 (including any incidental expenses of acquisition) are capitalized. Depreciation is provided at rates calculated to write off the cost on a straight line basis over their expected useful economic life. The rate of depreciation is 33.33% per annum for all assets.

Malaria No More UK

Notes to the accounts for the year to 31 December 2016

2 Income

	Unrestricted funds	Restricted funds	2016 Total	2015 Total
	£	£	£	£
Donations and legacies				
Grants	300	1,639,557	1,639,857	756,634
Donations	269,197	26,796	295,993	236,803
In kind gift of office space	-	-	-	30,180
	<u>269,497</u>	<u>1,666,353</u>	<u>1,935,850</u>	<u>1,023,617</u>
Income from trading operations				
Cause related marketing	75,761	-	75,761	26,862
	<u>75,761</u>	<u>-</u>	<u>75,761</u>	<u>26,862</u>
Investment Income				
Interest receivable	10,957	-	10,957	11,373
	<u>10,957</u>	<u>-</u>	<u>10,957</u>	<u>11,373</u>
Other Income				
Flat rate VAT retention	4,243	-	4,243	1,444
	<u>4,243</u>	<u>-</u>	<u>4,243</u>	<u>1,444</u>
Total Income	<u>360,458</u>	<u>1,666,353</u>	<u>2,026,811</u>	<u>1,063,296</u>

3 Expenditure

	Unrestricted funds	Restricted funds	2016 Total	2015 Total
	£	£	£	£
Fund raising				
Personnel	24,666	57,988	82,654	125,586
Other direct costs	2,293	-	2,293	1,211
Support costs	28,378	-	28,378	36,779
	<u>55,337</u>	<u>-</u>	<u>113,325</u>	<u>163,576</u>
Charitable activities				
High level advocacy	-	545,495	545,495	390,761
UK public campaign	-	366,047	366,047	325,107
Programme investments	-	711,921	711,921	105,359
Support costs	-	205,364	205,364	237,603
	<u>-</u>	<u>1,828,827</u>	<u>1,828,827</u>	<u>1,058,830</u>
Total expenditure	<u>55,337</u>	<u>1,828,827</u>	<u>1,942,152</u>	<u>1,222,406</u>

Support costs

	Governance function	General support	Total 2016	Total 2015
Salaries	9,019	57,495	66,514	61,767
Premises	-	73,162	73,162	68,238
Audit fee	3,600	-	3,600	3,600
Other support costs	-	90,466	90,466	140,777
	<u>12,619</u>	<u>221,123</u>	<u>233,742</u>	<u>274,382</u>

Support costs relate to the staff and running costs of the charity's London office and are allocated on a basis consistent with the use of resources.

	2016	2015
	£	£
Support costs have been allocated as follows		
Fund raising	28,378	36,779
Charitable activities	205,364	237,603
	<u>233,742</u>	<u>274,382</u>

Malaria No More UK

Notes to the accounts for the year to 31 December 2016

4 Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2016	14,122
Additions in year	-
At 31 December 2016	<u>14,122</u>
Depreciation	
At 1 January 2016	5,585
Charge for the period	4,707
At 31 December 2016	<u>10,292</u>
Net Book Value	
At 31 December 2016	<u>3,830</u>
At 31 December 2015	<u>8,537</u>

5 Fixed asset investments

	£
Unlisted Investment	
Cost	
At 1 January 2016 and 31 December 2015	<u>1</u>
Net book value	
At 31 December 2016 and 31 December 2015	<u>1</u>

The charity holds one share of £1 in its wholly owned subsidiary company Malaria No More UK Trading Limited which is company number 7621448 incorporated in England and Wales. The activities and results of the company are summarised in Note 15.

6 Debtors: amounts falling due within one year

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Accrued income	30,371	31,000		31,000
Inter company debtor	-	-	80,375	62,260
Rent deposit	6,184		6,184	
Other	912	6,184	912	6,184
Total	<u>37,467</u>	<u>37,184</u>	<u>87,471</u>	<u>99,444</u>

7 Creditors: amounts falling due within one year

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Grant creditors	-	137,603	-	137,603
Trade creditors	84,645	55,807	84,645	55,807
Deferred income	1,122,563	274,247	1,122,563	274,247
Tax and social security creditor	3,802	1,835	-	-
Sundry creditors and accruals	40,113	26,478	40,113	26,478
Total	<u>1,251,123</u>	<u>495,970</u>	<u>1,247,321</u>	<u>494,135</u>

Malaria No More UK

Notes to the accounts for the year to 31 December 2016

8 Movements in funds

	Balance at 31-Dec-15 £	Incoming £	Outgoing £	Transfers £	Balance at 31-Dec-16 £
Restricted Funds					
Gates	116,263	1,400,802	(1,469,918)	-	47,147
WHO	-	188,217	(188,217)	-	-
CAF A4D	-	48,738	(48,738)	-	-
Africa Programmes	-	28,596	(160,685)	159,065	26,976
	<u>116,263</u>	<u>1,666,353</u>	<u>(1,867,558)</u>	<u>159,065</u>	<u>74,123</u>
Unrestricted funds					
General funds	1,081,165	360,458	(62,774)	(159,065)	1,219,784
	<u>1,081,165</u>	<u>360,458</u>	<u>(62,774)</u>	<u>(159,065)</u>	<u>1,219,784</u>
Total funds	<u>1,197,427</u>	<u>2,026,811</u>	<u>(1,930,332)</u>	<u>-</u>	<u>1,293,907</u>

Fund	Purpose
Gates	MNM-UK receives funding from the Bill and Melinda Gates Foundation as a sub-grantee of MNM-US. This pays for campaigns and influencing work, to ensure prevention and treatment of malaria was at the heart of political debate in the UK, and dedicated support of key international umbrella group the Roll Back Malaria partnership (RBM).
WHO	The World Health Organisation provided a grant for MNM's work in supporting the Roll Back Malaria Partnership during a period of transition.
CAF A4D	Grant support from the Advocacy for Development (A4D) of the Charities Aid Foundation (CAF) Fund for our advocacy work in Germany and Italy aimed at mobilising resources for the fight against malaria.
Africa Programmes	The Africa Programmes fund is raised primarily as donations from the general public, for the prevention and treatment of malaria. During the year new expenditure from this fund consisted of a grant to PATH Kenya discussed in the trustees report under Activities and Achievements. The charity also disbursed funds to CHAI Namibia which had been committed in earlier years and were in the balance sheet at 31 December 2015 as a creditor.

Malaria No More UK

Notes to the accounts for the year to 31 December 2016

14 Financial performance of the charity

The Consolidated Statement of Financial Activities includes the results of the charity and its wholly owned subsidiary Malaria No More UK Trading Limited, which conducts trading and merchandising activities on behalf of the charity.

The summary financial performance of the charity alone is:

	2016 £	2015 £
Incoming resources	1,973,819	1,051,948
Gift Aid donation from subsidiary company	52,980	11,280
	<u>2,026,799</u>	<u>1,063,228</u>
Cost of generating funds:	(113,313)	(163,509)
Charitable activities	(1,817,007)	(1,058,830)
	<u>96,479</u>	<u>(159,111)</u>
Net incoming resources		
Total funds brought forward	1,197,428	1,356,538
	<u>1,293,907</u>	<u>1,197,427</u>
Total funds carried forward		
Represented by		
Unrestricted funds	1,219,784	1,081,164
Restricted funds	74,123	116,263
	<u>1,293,907</u>	<u>1,197,427</u>

15 Financial performance of the trading subsidiary

The Consolidated Statement of Financial Activities includes the results of the charity and its wholly owned subsidiary Malaria No More UK Trading Limited, which conducts trading and merchandising activities on behalf of the charity. The company pays all of its profits to the charity by a gift aid donation.

The summary financial performance of the subsidiary alone is:

	2016 £	2015 £
Turnover	80,004	28,306
Cost of sales & administrative expenses	(27,024)	(17,026)
Net profit	<u>52,980</u>	<u>11,280</u>
Gift aid donation to the charity	(52,980)	(11,280)
Retained profit	<u>-</u>	<u>-</u>
The assets and liabilities of the subsidiary were:		
Current assets	30,371	64,096
Current liabilities	(84,176)	(64,095)
Net assets	<u>(53,805)</u>	<u>1</u>
Aggregate share capital and reserves	<u>1</u>	<u>1</u>

16 Operating lease commitments

The charity's head office has been leased until 31 July 2020. The cost of this is shown below:

	2016 £	2015 £
Less than one year	77,842	59,146
Between two and five years	278,934	211,940
	<u>356,776</u>	<u>271,086</u>

Malaria No More UK

Notes to the accounts for the year to 31 December 2016

9 Staff costs and numbers

	2016 £	2015 £
Salaries and wages	608,781	575,450
Pension	56,349	55,296
Social security costs	62,745	64,328
	727,875	695,074

The average number of full-time equivalent employees during the period was

12 12

The number of staff whose emoluments were in excess of £60,000 during the year were as follows:

£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

10 Pensions

The charity operates an auto-enrolment pension scheme with The Peoples Pension. All staff are eligible once they have passed their probation period, and the charity pays a 10% employer's contribution in addition to any personal contribution made by the staff themselves. The charity also allows staff who have "opted out" of the auto-enrolment scheme to nominate a personal pension plan to receive their pension contribution.

Pension costs stated in note 9 and charged in the statement of Financial Activities represent the total contributions payable by the charity in the year.

11 Trustees' remuneration and expenses

The charity did not pay to its trustees any remuneration during the year but did reimburse one trustee a total of £3,172 for travel expenses incurred in performing their duties as a trustee (2015 £nil).

12 Related parties

The charity is affiliated to Malaria No More (MNM-US) a US philanthropic organization that shares the charity's objectives. During the period the charity received grants of £1,400,802 (2015, £756,334) from the Bill and Melinda Gates Foundation as a sub-grantee of MNM-US.

13 Analysis of net assets between funds

	General Funds £	Restricted funds £	Total funds £
Fixed assets	3,830	-	3,830
Current assets	2,467,077	74,123	2,541,200
Current liabilities	(1,251,123)	-	(1,251,123)
Net assets at 31 December 2015	1,219,784	74,123	1,293,907