



**Report of the Trustees
and Financial Statements
For the year ended 31st December 2019**

Amref Health Africa
Charity Number: 261488
Company Number: 00982544

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS	4
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 ST DECEMBER 2019	6
WHO WE ARE	6
Amref Health Africa UK	6
OUR STRATEGIC OBJECTIVES	7
OUR ACHIEVEMENTS: PROGRAMME DEVELOPMENT	8
OUR ACHIEVEMENTS: FUNDRAISING	12
Individual Giving, including Major Giving.....	13
Trust and Foundations	14
Corporate Partnerships.....	14
The GSK Partnership	14
Community and Events	15
OUR ACHIEVEMENTS: COMMUNICATIONS	16
Campaigns.....	16
Digital Communications.....	16
Press, PR, and Public Speaking	17
Global Participation and Collaboration.....	17
Structure and Staffing	17
FINANCIAL REVIEW	17
Reserves Policy	18
Investments.....	19
Related Party Transactions	19
STRUCTURE, GOVERNANCE AND MANAGEMENT.....	19
Constitution and Governing Documents.....	19
Governance	19
Pay Policy for Senior Staff	20
RISK MANAGEMENT STATEMENT	20
COVID-19.....	20
Principal Risks and Uncertainties	21
TRUSTEES' RESPONSIBILITY STATEMENT	22
AUDIT REPORT.....	23
STATEMENT OF FINANCIAL ACTIVITIES.....	26
BALANCE SHEET	27

STATEMENT OF CASHFLOWS.....	28
NOTES TO THE FINANCIAL STATEMENTS.....	29

REFERENCE AND ADMINISTRATIVE DETAILS

Patron: HRH The Prince of Wales

Board of Trustees:

- **Chair:**
Mr Paul Davey (interim, appointed in November 2019)
Dr Nigel Lightfoot, CBE (left in October 2019)
- **Treasurer:** Ms Amanda Caine
- Ms Sue Hunt
- Ms Jennifer Mbaluto
- Mr Alistair Smith

Internal Key Management Personnel:

- **Chief Executive:**
Ms Camilla Knox-Peebles (started in August 2019)
Mr Stephen Hindle (interim, June to August 2019)
Ms Frances Longley (resigned in June 2019)
- **Head of Finance:**
Mrs Helen Blake (interim, started in November 2019)
Mrs Stella Helps (resigned in October 2019)
- **Head of Fundraising:** Mrs Katie Greywood
- **Head of Operations:** Mr Stephen Hindle (resigned in February 2020)
- **Company Secretary:**
Mr Stephen Hindle (resigned in February 2020)
Mrs Helen Blake (started in February 2020)
- **Head of Strategic Partnerships:** Mr Steve Murigi (promoted to this role in June 2019 and appointed Interim Head of Programmes in February 2020, holding both posts simultaneously)

Charity Number: 261488

Company Number: 00982544

Registered Office:

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London N1 9PD

Bankers:

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Auditors:

MHA MacIntyre Hudson, Chartered Accountants

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London EC2Y 5AU

This Trustees' Annual Report has been prepared in accordance with the Companies Act 2006, the Charities Act 2011, and the Statement of Recommended Practice, Accounting and Reporting by Charities, 2015.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2019

WHO WE ARE

Amref Health Africa is Africa's leading health charity. We partner with women and girls in more than 30 countries to secure the right to health and break the cycle of poverty.

We believe that access to adequate and affordable healthcare is a human right. Moreover, we believe that healthcare is key to a brighter future: economic empowerment, freedom from poverty and the fulfilment of the full spectrum of human rights. From our headquarters in Nairobi, we work with some of the most remote and marginalised communities on the African continent, empowering them to transform their health - and their lives.

We believe that meaningful change must be community-led. To this end, we work primarily with women and girls, unlocking their potential to effect lasting change for themselves, their families, and their communities.

As the world strives to meet the Sustainable Development Goal of Universal Health Coverage (UHC) by 2030, Amref Health Africa is committed to removing the barriers that impede access to healthcare - ensuring that no-one is left behind. The work of our UK office contributes to this ambitious goal.

Amref Health Africa UK

Amref Health Africa (trading or known, and referred to hereafter, as Amref Health Africa UK or Amref UK) is one of eleven offices in Europe and North America. Our primary role is fundraising, advocacy, and building partnerships to support the programmes delivered by our colleagues in sub-Saharan Africa. The UK team includes fundraising, communications, grant management, donor stewardship, and finance and administration. With an annual income of around £4 million, we support a portfolio of innovative health programmes funded by a range of donors including institutions, corporate partners, trusts and foundations, and individuals.

UK-funded programmes in Africa focus on four thematic areas, all of them vital to achieving Universal Health Coverage: Maternal, New-born and Child Health (MNCH); Water, Sanitation and Hygiene (WASH); Sexual and Reproductive Health and Rights (SRHR); and Human Resources for Health (HRH), primarily through health worker training. Our geographical focus is on Ethiopia, Kenya, Tanzania and Uganda; however, through our long-running partnership with GlaxoSmithKline (GSK), we reach a further 13 countries.

In 2019, Amref Health Africa UK funded 16 programmes in 17 countries. We are extremely proud of the support we provide to Amref Health Africa at an international level, and of the progress we have made towards expanding access to healthcare for some of sub-Saharan Africa's most remote and marginalised communities. Thank you to everyone who has been, and continues to be, a part of this important work.

OUR STRATEGIC OBJECTIVES

The previous Trustees' Annual Report covered a 15-month period running from 1st October 2017 to 31st December 2018, reflecting a change in Amref Health Africa UK's financial year-end. As such, the comparative information provided for the previous reporting period covers 15 months rather than the usual 12 months. The information provided in the present report covers the 12 months to 31st December 2019.

2019 was the final year of Amref UK's ambitious 2016 – 2019 strategy. During the reporting period, we began developing a new strategy which will take us through to the end of 2023. The first phase of this process was led by Head of Operations, Stephen Hindle, with support from senior management and Trustees. All staff were given the opportunity to contribute through a series of workshops and consultations.

This period of transition was punctuated by changes in leadership. In June, Chief Executive Frances Longley resigned after four years to take up an Executive Director post at CARE International UK. Stephen Hindle acted as Interim Chief Executive during the summer period before Camilla Knox-Peebles, formerly Deputy Humanitarian Director at Oxfam International, took up the post on a permanent basis on 27th August. At Board level, Dr Nigel Lightfoot was succeeded as Chair of Trustees by Paul Davey (interim).

These changes meant that the strategy development work was paused until Camilla Knox-Peebles' arrival in the second half of the year. We felt it was important for the incoming Chief Executive to have the opportunity to shape and take ownership of the strategy whose implementation she would oversee. At the time of writing, the 2020 – 2023 strategy is being finalised.

As such, for the whole calendar year we were guided by our existing strategy and strategic objectives, which have been in place since October 2016. These objectives seek to expand the reach and impact of our work in Africa. They are as follows:

- 1) Complete the 'Getting our house in order' programme of systems and process improvement;
- 2) Make the organisation financially sustainable;
- 3) Establish a new culture and new ways of working;
- 4) Establish ourselves as the UK's authoritative voice and charity of choice on women's and girls' health and motherhood in Africa;
- 5) Strengthen Amref UK's voice within Amref Health Africa globally.

As outlined in last year's report, 2017/18 saw a close focus on reviewing our organisational culture and values (objective three). Amref UK's purpose was re-articulated as "To inspire our UK community to support health programmes delivered by and for African people, creating lasting change." This work continued to inform our thinking and approach in 2019. Individual and organisational performance are now assessed not only on the achievement of goals, but also according to how consistently we have adhered to our values in delivering these goals. Our new Code of Conduct has been integrated into our standard operating procedures as well as socialised among Amref UK staff.

2019 saw us deliver Amref UK's first-ever UK Aid Match campaign, Health in Her Hands, which raised a total of £367,723 (£201,282 with £166,441 eligible to be matched by the UK government) and

reached an estimated 22 million members of the UK public. This initiative aligned closely with two of our strategic objectives: the second objective, to make the organisation financially sustainable; and the fourth, to establish Amref Health Africa UK as the UK's authoritative voice and charity of choice on women's and girls' health and motherhood in Africa. It was very much a cross-cutting initiative, requiring all teams and departments to come together to deliver a successful campaign and design a robust match-funded programme. (See sections relating to Fundraising and Communications for more detail.) Also in 2019, we saw a significant increase in funding secured from Trusts and Foundations and developed our first proposal for a commercial contract.

Throughout the year, we worked to strengthen our voice within the Amref Health Africa family (objective five). This meant cementing relationships and leading the way on collaboration by identifying co-funding opportunities and contributing to shared initiatives such as Amref Health Africa's End-FGM/C Centre of Excellence (part-funded by the People's Postcode Lottery through Amref UK).

The result of all this has been some high-impact programme work ensuring marginalised communities across Africa have access to high-quality health care. Amref UK ends 2019 prepared for growth, ready to implement an ambitious new strategy that makes the most of our expertise, responds to need, and is true to our values.

In performing the above activities, the Trustees of Amref Health Africa UK are satisfied that the Charity has met the Charity Commission's requirements on public benefit.

OUR ACHIEVEMENTS: PROGRAMME DEVELOPMENT

In 2019, Amref Health Africa UK supported 16 programmes in 17 countries. In line with our strategic objectives, we pursued a tightly-focused programmatic agenda, concentrating our efforts on four thematic areas and four countries (with the exception of the GSK partnership, which has a 17-country remit and is detailed separately in this report). Our aim is to implement a small, strategic portfolio of programmes, to an extremely high standard. The table below outlines the programmes supported by Amref UK between 1st January and 31st December 2019.

Country	Programmes	Areas of activity	Donor income FY 2019
Ethiopia	3	<ul style="list-style-type: none"> • Water, Sanitation & Hygiene • Sexual Reproductive Health & Rights • Livelihoods 	Comic Relief Waterloo Foundation Mercury Phoenix Trust

Kenya	5	<ul style="list-style-type: none"> • Non-Communicable Diseases • Infectious Diseases • Maternal, New-born & Child Health • Health System Strengthening • Health Worker Training 	<p>GSK</p> <p>Wolfson College, Oxford University</p> <p>Kilpatrick Fraser Charitable Trust</p> <p>Veta Bailey Charitable Trust</p>
Namibia and Botswana	1	<ul style="list-style-type: none"> • Human Resources for Health • Non-Communicable Diseases 	GSK
Malawi	1	<ul style="list-style-type: none"> • Sexual Reproductive Health & Rights 	Allan and Nesta Charitable Trust
South Africa	1	<ul style="list-style-type: none"> • NCDs 	GSK
Tanzania	2	<ul style="list-style-type: none"> • Fistula • Sexual Reproductive Health & Rights 	<p>The National Community Lottery Fund</p> <p>James Percy Foundation</p>
Uganda	2	<ul style="list-style-type: none"> • Fistula • Human Resources for Health 	<p>Anonymous Charitable Foundation</p> <p>DFID</p>
Regional	1	<ul style="list-style-type: none"> • Human Resources for Health • Maternal, New-born & Child Health 	The GSK Reinvestment Initiative funds 13 programmes in Angola, Burundi, Djibouti, Ethiopia, Lesotho, Madagascar, Malawi, Mozambique, Rwanda, South Sudan, Tanzania, Uganda, Zambia
Total	16		

Highlighted below are three examples of the work Amref Health Africa UK has supported during the reporting period. All three programmes are typical of our African-led, community-driven approach to securing lasting health change. As stated in the introduction to this report, everything Amref UK does contributes to the goal of making Universal Health Coverage (UHC) a reality by 2030. For us, this translates to strengthening health systems, training health workers, creating the conditions in which good health can thrive, and improving access to vital services for some of the continent's most remote and marginalised communities.

Empowering women living with obstetric fistula, Mwanza Region, Tanzania

At the end of 2019, Amref UK was six months into a programme to empower women living with obstetric fistula in rural and urban Tanzania. This three-year programme (May 2019 to May 2022) is a partnership between Amref Health Africa UK, Amref Health Africa Tanzania, MaguPoverty Focus on Older People Rehabilitation Centre (MAPERECE), and Comprehensive Community Based Rehabilitation in Tanzania (CCBRT), funded by The National Lottery Community Fund.

Obstetric fistula is a leading cause of pregnancy-related disability and stigma for women in low-income countries. Obstetric fistula most often develops during prolonged or obstructed labour. In Tanzania, lack of access to emergency obstetric care increase a woman's chances of developing fistula; every year, 3,000 Tanzanian women develop the condition, and women and girls suffering from it are often unable to work and can be excluded from daily family and community life, driving them into poverty. Although 80-95% of vaginal fistula can be closed surgically, women and girls in Tanzania often either do not know that treatment is possible, do not have the means to afford it, or are unable to reach the health facilities that offer the surgery, and there is a shortage of health staff and surgeons who can perform the surgery. Further, fistula survivors are often not given the opportunities to access psychosocial support, livelihood skills and entrepreneurship trainings which would help them reintegrate into their communities.

This programme offers a comprehensive package of care to 180 women and girls in Mwanza Region, including free fistula repair treatment, psychosocial support, livelihoods training, and opportunities for social reintegration. 900 family members will also receive information and psychosocial support through home visits. Amref Health Africa and its partners are also conducting awareness-raising activities on fistula prevention, surgical repair, psychosocial support and female empowerment – and working to tackle the stigma that so often surrounds the condition.

Improving Maternal, New-born and Child Health in Nakaseke and Kyankwanzi, Central Uganda

From March 2015 to February 2019, and with funding from Comic Relief, this programme worked with 650 Ugandan District and Sub-district Health Management Teams and communities in Kyankwanzi and Nakaseke to improve the provision and uptake of maternal new-born and child health services. It sought to ensure the most remote communities could access immunisations, and village health teams were trained to promote uptake of services and accompany women to appointments. Outreach sessions with local men and women of reproductive age were held to raise awareness and encourage health-seeking behaviour.

Overall, more than 73,000 people directly benefitted from the programme, including 6,616 men of reproductive age, 9,702 pregnant women, and 420 frontline health workers. 116,421 people were indirectly reached. Thanks to this programme, Ugandan staff now have increased skills and capacity in conducting maternal and child health checks. Through the implementation of community feedback methodologies, Amref Health Africa staff have gained valuable experience which can be applied to other programmes, to improve Ministry of Health service delivery as well as continued learning from programmes to improve quality.

Overall, more mothers and their babies are now likely to be healthy, and staff in Uganda have strengthened capacity in presenting findings and embedding learning from programmes which will help in the sharing and implementing of best practice. District Health Teams' capacity to manage health workers has been strengthened through mentorship and joint supportive supervision with Amref Health Africa. This will help to reduce health-worker attrition and improve levels of job satisfaction and retention among staff in the years to come, ensuring sustainability.

Sexual and Reproductive Health and Rights (SRHR) in SNNP Region, Ethiopia

This programme, which ran from January 2017 to January 2020, improved health and nutrition services for the most vulnerable and drought-prone communities in Wolaita. A key part of our approach was to address the unmet need for family planning and to improve access to quality sexual reproductive health (SRH) services, especially for vulnerable young people. This is because Ethiopia still has a high fertility rate and an unmet need for family planning, especially in rural areas. In the Southern Nations, Nationalities, and Peoples' Region (SNNP), 40% of women use modern contraception, much lower than in urban regions (DHS, 2016). Teenage pregnancy is common and traditional views and practices discourage young people from discussing their sexual health openly and seeking out services. This programme sought to counter these trends by improving the quality of SRH services in health facilities and community settings by stimulating demand for family planning and modern contraception, through education and awareness-raising. In order to improve access to contraception, the programme trained health workers on provision of long-acting reversible contraceptives (LARCs), provision of youth-friendly services, and better management of family planning supplies and medicines. To stimulate demand, the programme provided Comprehensive Sexuality Education to young people in schools and supported adolescents and community members to increase their understanding of SRHR, through support for youth clubs, community awareness raising campaigns and local meetings.

Overall, this programme supported the training of 22 health workers at twelve health centres to support 2,386 women under 49, and 1,812 women of reproductive age received long-acting implants through outreach services. Training for health workers included contraception, basic emergency obstetric and new-born care, and provision of 'youth-friendly' (age-appropriate and sensitive) SRHR services, serving 2,303 young people at health facilities. The programme also refurbished, designed and maintained youth-friendly spaces, with material support for eight maternity waiting rooms to promote SRHR services, and a revolving fund for medical equipment, consumable supplies (including LARCs) and medicines established at health facilities, preventing patients from having to be referred to other, distant health facilities. Laboratory and diagnostic capacity for health facilities, including HIV testing and diagnosis of STIs, was strengthened. 17 schoolteachers and 500 school children across six schools were, respectively, trained or educated on sexual education. An awareness-raising campaign

on sexual and reproductive health in targeted communities was held, and nearly 9,000 people attended, with support raised for HIV/AIDS clubs in schools through materials and mentorship for young leaders.

This has enabled households to be informed and positive about modern family planning options and encouraged more than 6,000 women of reproductive age to use long-acting family planning.

OUR ACHIEVEMENTS: FUNDRAISING

Fundraising income at Amref UK continued to grow in 2019, consolidating on 2018 achievements and adding new initiatives. Due to staff changes, the Fundraising team itself became smaller, moving from six staff members in 2018 to four at the end of 2019. Corporate partnerships moved to a new department under the Head of Strategic Partnerships.

The Fundraising team raised a total of £566,000 in unrestricted and £976,000 in restricted funds from individual donors, trusts and foundations. The most significant growth came from trusts and foundations, with multi-year grants commencing, new grants and donors secured, and further income pledged for future years. The other major achievement was the delivery of Amref Health Africa UK's first integrated fundraising and communications campaign, Health in Her Hands. The campaign ran as part of DFID's UK Aid Match initiative and required the involvement of all staff and Board members to achieve our goals. The campaign raised £201,282 with £166,441 across various income streams eligible to be matched by the UK government, bringing our total to £367,723.

The campaign influenced much of the Fundraising team's activities for the first half of the year. Key achievements include: raising six times as much unrestricted income as in the same period and from the same sources in 2018; securing Amref UK's first major gifts (£5,000 and over) since 2016; launching the campaign with a reception hosted by the Charity's Patron, HRH The Prince of Wales, at Clarence House; and delivering a successful BBC Radio 4 appeal read by Alex Jones, presenter of BBC's The One Show. (NB. This service is not recorded as an in-kind gift in the Annual Accounts because the BBC is not a commercial radio station and the condition of the appeal is that it is presented on a pro bono basis. Moreover, Amref UK does not, on principle, pay celebrity supporters for their time or their platform.)

In 2019, fundraising activities at Amref Health Africa UK continued to be managed by the Head of Fundraising, in consultation with the senior management team and CEO, and overseen by the Board of Trustees. The team used a number of tools and processes to manage activities, income and expenditure, including the Raiser's Edge database, internal risk management and KPI documents, and regular supervision. Throughout 2019, the Fundraising team ensured compliance with all relevant sector regulations and organisational policies. In particular, the team undertook a review of the updated Code of Fundraising Practice in September 2019 and delivered training for staff and Trustees. Amref UK renewed its membership with the Fundraising Regulator and Institute of Fundraising and attended sector conferences and training to ensure best practice across fundraising activities. The Charity received no complaints related to fundraising in 2019, and there were no reported instances

of failures to comply with any schemes or standards including those of the Fundraising Regulator. In the 2019 financial year, Amref UK did not work with any commercial participators or professional fundraisers on fundraising activities.

Amref UK also continued to ensure supporters were treated with the utmost respect and transparency. We reviewed our Privacy Policy and ensured that key statements related to communications consent were displayed on all fundraising materials. We responded within 48 hours to all supporter queries and requests to opt-out from communications, updating our database immediately. With regard to vulnerable people, we ensured all our fundraising activities abided by our Safeguarding Policy and adjusted communications for any individuals we believed to be in a vulnerable position. The most postal mailings any supporter received from Amref UK in 2019 was six, with up to eight emails for those who had opted into the mailing list. Our communications are designed to inspire and encourage.

The whole Fundraising team attended safeguarding training in 2019. We undertake a review of our legitimate interest basis for contacting individuals as part of our GDPR compliance on an annual basis and take the appropriate actions.

Individual Giving, including Major Giving

All direct-mail appeals performed well, meeting or exceeding targets and raising £74,000 in total. This was supported by investment in a freelance designer, a targeted approach to segmentation, and the use of compelling stories and photography. We also received a major gift as a direct result of the Spring mailing.

Regular giving stabilised further throughout the year and we continued to see much lower attrition rates per quarter. Our regular giving programme raised £232,000 in 2019. We also saw a significant increase in regular giving upgrades throughout the UK Aid Match campaign period, in addition to the introduction of a new online regular gift sign-up form, which contributed to acquisition of new regular donors. During UK Aid Match we saw Amref UK's first quarter in many years where acquisition was higher than attrition, despite minimal investment.

2019 was a challenging year for legacy and in memoriam income, with a total of £2,000 received. This was the lowest received from this income stream in several years. Due to the unpredictable nature of legacy income, we were unable to take action to make up this shortfall. We continue with our regular legacy marketing and have designed a new legacy brochure to be printed in 2020, which will support with securing legacy gifts in the future.

We have seen gifts resulting from our e-newsletter increase throughout the year, receiving over £44,000 in online donations. The website was refreshed, with new donation pages, an improved user experience, and fresh fundraising content.

2019 saw Amref Health Africa UK secure our first major gifts and the launch of our major giving programme, generating over £35,000. This was as a result of both relationship building with current donors and of new donors who joined us through the UK Aid Match campaign. The incentive of donations being matched, along with strong and time-bound messaging, supported our high-value ask. The Philanthropy Council, consisting of senior external fundraising volunteers, joined a

programme visit to Kenya in November 2019 which inspired them for fundraising going into the New Year.

Trust and Foundations

We continued to build on the strong performance from the previous year, ending the year with total income of £1,067,000 from trusts and foundations. Of this, £96,000 was unrestricted, more than double the previous year, which was due to two major gifts of £20,000 each as well as increased family trust giving due to the UK Aid Match incentive.

The majority of the income (£971,000) was restricted. Major grants secured in 2019 include £500,000 from the People's Postcode Lottery, which supported Amref Health Africa's Nairobi-based Centre of Excellence to End FGM/C as well as some UK fundraising and communications activities. Nice Nailantei Leng'ete, Amref Health Africa's Global Ambassador, attended the Charity Gala organised by the People's Postcode Lottery and spoke alongside Amal and George Clooney, a major fundraising highlight of the year which generated significant press and online interest. We also secured major grants from James Percy Foundation, to support maternal health in Tanzania; from SOL Foundation, to launch a new sexual and reproductive health programme using sport in Kenya; from Waterloo Foundation, to support a sexual health programme in Ethiopia; and a new anonymous donor, who committed over £700,000 over three years to provide rehabilitative surgeries for women suffering from fistula in Uganda and Tanzania.

In addition to these major grants, we received increased support at the four- and five-figure level, with new grants from The Headley Trust, Lord Deedes of Aldington Trust, Clifford Chance Foundation and Souter Trust. We valued the collaborative nature of these relationships and the ideas generated in the course of our conversations with these donors, which helped to shape the programmes they funded. The number of multi-year grants and repeat gifts reflect our emphasis on strong stewardship, accurate reporting and compelling proposals, all areas we prioritised through the year.

Corporate Partnerships

In June of 2019, corporate partnerships moved to a new department under the Head of Strategic Partnerships (who also manages the GSK partnership – see below). This saw a shift in Amref UK's approach to engaging the private sector with an emphasis on pursuing longer-term shared-values partnerships. Time was spent mapping out companies with an interest in health and/or Africa and re-engaging companies that have funded Amref UK in the past. Discussions with a few companies have gained traction with an anticipation of recruiting new partners and generating income in 2020.

The GSK Partnership

2019 marked the 31st year of our partnership with GSK, along with the final payment cycle for the GSK-supported programmes under the present agreement. The current programmes are scheduled to end in 2020.

Amref Health Africa UK received £2,638,000 in total. These funds were restricted, with the exception of £100,000 in unrestricted income and £75,000 of flexible programme funding from GSK. The GSK

donations also included £160,000 for the management of the GSK account and a further £76,000 as a donation for the Africa Health Agenda International Conference(AHAIC), held in Kigali in March 2019.

The restricted income went towards the following programmes:

1. Regional health worker training programme (£922,000)
2. Non-communicable diseases programme in Kenya (£450,000)
3. Non-communicable diseases programme in Namibia and Botswana (£350,000)
4. mVacciNation programme in Tanzania (£500,005)
5. Chlorhexidine programme in Kenya (£150,000)
6. Programme management of the construction of Kombewa maternity wing in Kenya (£111,500)

Amref Health Africa also continued to benefit from the PULSE volunteer programme. During the reporting period, the Amref Health Africa family hosted two volunteers, in Tanzania and HQ.

The Chief Executive and the Head of Strategic Partnerships continue to engage with GSK's leadership as our partnership evolves beyond 2020.

Community and Events

The Fundraising Team bought places in a new challenge event, the London Landmarks Half Marathon, to expand our portfolio of challenge events open to fundraisers. The event proved more challenging to build a team for than the renowned London Marathon, however it performed well and met the target of £4,000 inclusive of Gift Aid. We are confident we can continue to build on this initial success with the learning gained. Throughout UK Aid Match several supporters held fundraising events, including a Golf Day organised by a long-term supporter which raised over £4,000. We created a new challenge event - the Spring Step Challenge, in-house and at zero cost, which raised over £7,000. In total this income stream raised £44,000.

Due to our UK Aid Match campaign and in order to build external relationships as well as raise Amref UK's profile, we held more events in 2019 than in previous years. To launch our campaign, we held a reception at Clarence House on International Women's Day (8th March) which was hosted by Amref UK's Patron, HRH Prince Charles, and saw Channel 4 presenter Cathy Newman attend. We also held an intimate Pledge Dinner with a view to garnering high-value support and raising awareness of our campaign. We invited donors, partners, friends and our wider networks to an annual reception event in November, held at the Royal Society of Medicine. Diraam Duba, a survivor of FGM/C who works as a community facilitator and end-FGM/C activist with Amref Health Africa in Kenya, was our guest speaker. Finally, the Head of Fundraising, Communications Manager, and Fundraising Manager held a focus group with women from the African diaspora, to gain insight into fundraising and partnership potential with new audiences.

OUR ACHIEVEMENTS: COMMUNICATIONS

Campaigns

For the Communications team, 2019 was defined by Amref UK's first-ever UK Aid Match campaign, Health in Her Hands. In Quarter One, our focus was firmly fixed on preparing for the campaign: refining our messaging, developing a portfolio of assets, and securing support from a broad range of pro bono communications partners who agreed to share the campaign with their audiences. The campaign launched on International Women's Day (8th March) and ran until 7th June. All the activity the Communications team would normally undertake was absorbed into Aid Match, meaning there was nothing we neglected: rather, everything we did was amplified in terms of scale and reach. Following the campaign's close, a considerable amount of time was dedicated to collating and analysing the results, with a view to reporting back to DFID and to the public.

Health in Her Hands helped to raise our profile and allowed us to engage with a broad range of audiences, some of them totally new to Amref UK. The match-funding messaging and clear call-to-action proved to be a powerful incentive. We learnt a tremendous amount about who is likely to support Amref UK, which messages and stories resonate with different audiences, and where there is scope for growth. We also forged relationships with the communications partners who amplified the campaign. Some of these have not outlived the campaign, but others will continue and evolve.

The impact of Health in Her Hands was felt across Amref Health Africa UK's communications channels (see below). Although the pace of change slowed in the second half of the year, we continue to reap the rewards of connections made during the campaign's lifespan. Later in 2020, we plan to repeat the YouGov brand awareness survey we ran in 2018. This will enable us to measure the lasting impact of the campaign.

A note on pro bono communications partners: For two reasons, these are not recorded as gifts in kind in the Annual Accounts. Firstly, a charity must acquire the support of a portfolio of pro bono partners in order to be eligible for the UK Aid Match scheme: these were not channels we would have pursued had we not had the match-funding opportunity (i.e. they did not replace paid advertising or marketing). Secondly, the value of their support is extremely difficult to calculate – particularly in the case of some of the higher-profile partners, who were unable to provide a breakdown of reach and engagement.

Digital Communications

Our social media following doubled in 2019. At the time of writing, we had more than 28,000 followers across four platforms, as compared to 13,698 on 31st December 2018. We have also experienced a consistent uplift in engagement, particularly on LinkedIn (our fastest-growing platform) and Twitter.

Our website also performed better in 2019 than it did in 2018. All indicators have improved (with the exception of the bounce rate, which consistently sits between 50 and 60%). The number of users grew by more than 25%, the number of page views by 20%, and traffic coming via social media grew by an impressive 227.7%. We also saw a significant increase (65%) in the number of users accessing the site via mobile phone, which is consistent with the growth in social referral. All of this indicates that positive trends beginning in 2017/18 continue, which is encouraging.

Press, PR, and Public Speaking

Also thanks to Health in Her Hands, we secured more than a dozen pieces of press coverage (a mixture of print and online) in 2019, a three-fold increase on our performance in 2017/18. Highlights included a full-page profile of our end-FGM/C ambassador, Nice Nailantei Leng'ete, in The Scottish Sunday Times.

2019 also saw us secure more, and more varied, speaking opportunities. In the first half of the year, Frances Longley spoke at the launch of a report on vaccination coverage produced by the APPG on Vaccinations For All (to which Amref UK had contributed evidence), chaired a session at the Africa Health Agenda International Conference (AHAIC) in Rwanda, and was a panellist at two sessions on leadership at the 2019 Bond Conference. In November, newly-arrived Chief Executive Camilla Knox-Peebles sat on a panel at AidEx Brussels and spoke at the Mental Health in Africa: Innovation and Investment conference organised by the Royal African Society, LSHTM, and Wellcome Trust. She represented Amref Health Africa UK at the International Broadcasting Trust's CEO dinner. Communications Manager Rachel Erskine shared lessons learned from our UK Aid Match campaign at Bond's Funding for Development Conference in October. She has also taken on the role of Co-Chair of Bond's People in the Pictures working group, which aims to facilitate ethical content collection across the sector.

Global Participation and Collaboration

Communications Manager Rachel Erskine continued to co-chair Amref Health Africa's Global Website and Social Media Working Group. She also chaired the Global Task Force on Image Consent and Permissions, whose work is now complete. Responsibility for the roll-out of the new Global Image Consent Policy now lies with Shared Services at headquarters in Nairobi. We work closely with Communications colleagues from across the Amref Health Africa family on the commissioning, production and dissemination of imagery and storytelling.

Structure and Staffing

During part of the reporting period, Amref Health Africa UK enjoyed an expanded Communications team: a part-time Communications Assistant was employed from mid-January to mid-October, and a Senior Designer (also part-time) joined the team from January until August. We continue to work with her on an ad hoc basis.

The Communications team also benefited from the time and skills of several short-term volunteers.

FINANCIAL REVIEW

Amref Health Africa UK has been implementing the latter part of its three-year strategy over this period, focusing on moving the organisation to a position of confident, sustainable strength, financially, systematically and culturally, creating a sound foundation for future growth.

As outlined in the introduction to this report (page 7), Amref UK changed its financial year-end in the previous reporting period from 30th September to 31st December. As such, the comparative information provided in the financial statements covers a 15-month period to 31st December 2018. The information provided in the present report covers the 12 months to 31st December 2019.

Unrestricted income was 4% lower than the previous period but 20% higher compared to the 12-month pro-rated prior period amount. Continued and increasing strength in Individual Giving and Trusts & Foundations were the key drivers. Unrestricted expenditure was 21% lower than the previous period, but 1% lower compared to the 12-month pro-rated prior period. Amref UK's expenditure profile has been kept under continual review and there has been a sustained focus on cost recovery. There was an unrestricted surplus of £83,000. The effect of this is covered in more detail in the Reserves Policy section below.

Our restricted income was 23% higher than the previous period but 53% higher compared to the 12-month pro-rated prior period amount. This most significant growth came from grant income with multi-year grants commencing, new grants and funders secured, and further income pledged for future years. Restricted expenditure in the period was 11% lower than the previous period but 12% higher compared to the 12-month pro-rated prior period amount. This is predominantly made up of transfers to Africa for programme implementation and relates to programme requirements reflecting progress in implementation. This period's restricted deficit of £85,000 reflects the timing of receipt of grants compared to their disbursement to Amref Health Africa's HQ in Nairobi.

Reserves Policy

We end the year with funds of £2.6 million. 69% of this however is restricted and therefore not available for the general purposes of the Charity. This is a result of timing differences and represents funds pending disbursement to Amref Health Africa's HQ in line with programme implementation and progress.

The reserves calculations which underpin our policy are in line with Charity Commission guidance and are designed to ensure that we retain sufficient working capital, but that we are also well-equipped to address risks and opportunities faced, whilst also bearing in mind that we should only keep the reserves that are required, in order to use our funds most effectively. We aim to hold enough working capital for four to six months which is based upon the current volatility and youth of some of our income streams. Given our plans to explore new institutional funding opportunities and mechanisms we also have an element of our free reserves available to enable us to harness these effectively.

The calculations showed that as at the end of 2019 we should aim to hold £497,000 - £709,000 in unrestricted free reserves.

The unrestricted free reserves held as at 31st December 2019 were £785,000, made up of unrestricted reserves less the net book value of tangible fixed assets. A planned unrestricted deficit is budgeted for 2020 and it is expected that the 2020 financial year will close with free reserves being within the target range.

Please refer to the COVID 19 section of this report for further information on the potential impact of the pandemic on the Charity's reserves position. We will continue to review our reserves policy to ensure it meets the needs of the Charity.

Investments

All funds held in the UK for future use are held in deposit accounts available on demand with United Kingdom-based banks.

Related Party Transactions

As set out in Note 15 of the Financial Statements, during the year, transactions were undertaken with Amref Health Africa's HQ in Kenya. Transactions were also undertaken with one company owned by the parents of one of the Key Management Personnel (KMP). Donations were also received and Christmas cards bought by a number of Trustees and KMP.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and Governing Documents

Amref Health Africa UK is registered as a company in England, Company Number 00982544, whose members' liability is limited by guarantee. The objects of the company and the powers of the Board of Directors are set out in the Memorandum and Articles of Association, last amended on 22nd April 2015, as are the regulations concerning the appointment of new Directors.

Amref Health Africa UK is also registered as a charity with the Charity Commission in England and Wales, Charity Number 261488. The organisation's Charitable Objects are "to support and foster the investigation and advancement in Africa of medical, scientific, educational and cultural knowledge and to apply the knowledge derived therefrom to the causes, prevention, relief and therapy of human diseases and misery for the relief of mankind in general".

Governance

The Board of Trustees is responsible for the effective governance of the Charity. A steady renewal of Directors is provided by the maximum terms of office (nine years) set out in the Memorandum and Articles. Succession planning arrangements ensure timely replacement of Trustees resigning or reaching the end of their terms of office.

During the reporting period, we operated one sub-committee of the Board: the Finance Committee, which met quarterly in advance of the full Board meeting.

This financial year saw the welcome reappointment of Paul Davey as a Trustee, who has previously served as a Trustee for Amref UK, and who took over the role of Chair on an interim basis following Dr Nigel Lightfoot's departure as a Trustee.

New Trustees are recruited through a formal process which includes external advertising of the vacancy, written applications, and formal interviews with current Trustees and the Chief Executive. Following appointment, new Trustees undertake an induction process which covers their formal and informal roles and responsibilities as Trustees and gives a detailed introduction to the aims and work of the organisation.

Good governance is supported through a suite of policies and procedures which are reviewed on an annual or biennial basis. Within this period, we added a policy on Modern Slavery to ensure that there

are no elements of modern slavery within our supply chain. In 2019, Amref UK Trustees (alongside selected members of staff) received training in the securing and management of commercial contracts, a relatively new form of financing also referred to as 'payment by results'.

Pay Policy for Senior Staff

The Board of Trustees, together with the senior management team, make up the key management personnel of the Charity. Trustees give their time freely and details of any expenses and related party transactions are disclosed in the Notes to the Accounts.

Remuneration of all executive staff including the senior management team follows a clear policy: each position level is banded, and salary levels are reviewed annually against market data to ensure that the bands reflect the Charity's desire to pay competitively compared to similar organisations in the sector, and that inflation levels are reflected where possible. A salary benchmarking exercise was commissioned at the end of 2019, and its findings contributed to decision-making on salary reviews in January 2020. A percentage increase was applied across all salaries with effect from 1st January 2020 which comprised an inflationary increase as well as a performance-related-pay element.

RISK MANAGEMENT STATEMENT

A robust risk management process is underpinned by a quarterly review using a Risk Register approach, involving staff and Trustees, which ensures the monitoring of all risks and identifies those material risks worthy of closer scrutiny. The Board delegates specific responsibility for risk management and mitigation to executive staff.

COVID-19

As the COVID-19 emergency evolves across the globe, Amref Health Africa UK is closely monitoring the situation and the risks that it poses to the organisation here in the UK as well as to our beneficiaries in Africa. Amref UK was quick to respond to the emerging crisis and we launched our 'Stop the Spread' urgent appeal in early March 2020. We would like to thank our funders and supporters for their positive response to this appeal and subsequent calls for funding which allowed us to kick-start COVID-19 prevention and response activities in Kenya, Uganda and Ethiopia. We are also working closely with our funders and colleagues in-country to manage and, where possible, minimise the impact of the crisis on the existing non-COVID-19 health programmes.

The potential financial impact on Amref UK is being closely monitored, with particular focus on the effect on the organisation's cashflow and free reserves position. At the time of writing, we are anticipating a downturn in the level of unrestricted income we will be able to generate in 2020. However, as things stand, we are expecting to be able to manage our free reserves position through the cost recovery built into our restricted funding which remains strong. As such, we are currently expecting to end 2020 within the free reserves target range set out in the Reserves Policy section of this report. We are also monitoring the organisation's projected cash position and we are currently expecting that our cashflows can be managed effectively during this time. The financial impact of COVID-19 will be monitored on an ongoing basis throughout the financial year and beyond. We have

also reviewed our accounting policies and have assessed that no changes are required at this stage. Specifically, we have assessed the Charity's financial position in light of COVID-19 and have concluded that the going concern basis, upon which the Financial Statements have been prepared, remains appropriate.

Principal Risks and Uncertainties

Beyond the risks and uncertainties associated with COVID 19 outlined above, the principal risk for the Charity is the competitiveness of the external funding environment and the resultant pressure on income, particularly unrestricted. The process of 'localisation' (whereby institutional donors choose to fund local or national organisations within the countries where the work is being undertaken), while a positive evolution in many ways, continues to affect our income, as does the narrowing of thematic focus of several key donors. DFID are now shifting their approach to a greater use of commercial contracts than the previous grant approach, and this raises risks regarding achieving all the necessary milestones to get paid, and cashflow issues. We have invested in training and consultancy and have joined a consortium as a sub-contractor for the DFID International Multi-Disciplinary Programme framework.

Fundraising from the public, be it mass volume or high-value, is also very competitive. Our focus on Trusts and Foundations continues to bring in significant income, and the success of the UK Aid Match campaign in 2019 also shows that there is potential for income to be further increased.

Retention of staff continues to be a key risk within the volatile London employment market. We seek to mitigate this through a culture of staff engagement and development, and by ensuring that we are paying the market rate to our people – along with and competitive benefits.

Amref UK continues to prioritise safeguarding as an essential part of our work. We have ensured that appropriate policies and processes are in place, and that all staff have undertaken the Amref Health Africa safeguarding course and we continue to engage with Bond to ensure that we are informed by best practice in the sector.

We continue to monitor risks about the protection of data, in line with the General Data Protection Regulation (GDPR) which came into force in May 2018. The main risk identified is that the organisation might inadvertently store data about donors, and the Fundraising team rigorously monitor their systems and records to ensure that no unnecessary or prohibited data is ever stored.

As the UK office of an African NGO, we are responsible for ensuring that funds sent to our HQ in Nairobi for onward transmission to African country offices are spent well and reported against. We mitigate the risks associated with this through formal agreements with other Amref Health Africa offices, robust internal processes, and regular contact with colleagues across the Amref Health Africa family, including support and monitoring visits by UK staff to the actual programmes.

Risks regarding safeguarding are mitigated by the adoption of best practice policies, mandatory staff and contractor safeguarding training, the appointment of a Trustee safeguarding lead and regular risk monitoring, including within our work in Africa.

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees (who are also Directors of Amref Health Africa UK for the purposes of company law) are responsible for preparing the Trustees' Annual 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 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 judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise.

The Trustees are also responsible for keeping adequate accounting records that disclose with reasonable accuracy and are sufficient to show and explain the Charity's transactions and the financial position of the Charity at any time to enable the Board members 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.

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.

This report of the Board has been prepared taking advantage of the Small Companies exemption to prepare a Strategic Report afforded by Section 415A of the Companies Act 2006.

THIS REPORT WAS APPROVED AND AUTHORISED FOR ISSUE BY THE BOARD OF TRUSTEES ON 22 JUNE 2020 AND SIGNED ON ITS BEHALF BY:



Mr Paul Davey, Interim Chair

AUDIT REPORT

Independent Auditor's Report to the Members of AMREF Health Africa (Registered company number: 00982544)

Opinion

We have audited the financial statements of AMREF Health Africa (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019, 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.

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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 22, 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, 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 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 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

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.

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



Sudhir Singh FCA (Senior Statutory Auditor)

For and behalf of MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditors

6th Floor

2 London Wall Place

London EC2Y 5AU

Date: 25 June 2020

Amref Health Africa Statement of Financial Activities (incorporating an income and expenditure account) for the year ended 31 December 2019

	2019 (12m)			2017/18 (15m)			
	N ote	Unrestricted fund s	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		£	£	£	£	£	£
Income from:							
Donations and legacies	2	566,162	269,483	835,645	588,964	30,000	618,964
Charitable activities	3a	100,000	3,555,924	3,655,924	98,000	3,090,811	3,188,811
Other trading activities	3b	2,467	-	2,467	7,384	-	7,384
Investments		1,117	-	1,117	941	-	941
Other		-	-	-	94	-	94
Total income		669,746	3,825,407	4,495,153	695,383	3,120,811	3,816,194
Expenditure on:							
Raising funds	4	523,835	-	523,835	531,176	-	531,176
Charitable activities	4	69,623	3,910,477	3,980,100	220,629	4,371,552	4,592,181
Total expenditure		593,458	3,910,477	4,503,935	751,805	4,371,552	5,123,357
Net income / (expenditure) before other gains		76,288	(85,070)	(8,782)	(56,422)	(1,250,741)	(1,307,163)
Other gains		7,100	-	7,100	-	-	-
Net movement in funds		83,388	(85,070)	(1,682)	(56,422)	(1,250,741)	(1,307,163)
Total funds brought forward		711,085	1,862,853	2,573,938	767,507	3,113,594	3,881,101
Total funds carried forward	12	794,473	1,777,783	2,572,256	711,085	1,862,853	2,573,938

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

The notes on pages 29 to 36 form part of these financial statements.

Amref Health Africa Balance Sheet as at 31st December 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible Assets	9	<u>9,083</u>	<u>17,585</u>
CURRENT ASSETS			
Debtors	10	110,643	399,792
Cash at bank and in hand		<u>3,024,012</u>	<u>2,902,310</u>
		3,134,655	3,302,102
CREDITORS			
Amounts falling due within one year	11a	<u>(557,082)</u>	<u>(726,549)</u>
NET CURRENT ASSETS			
		<u>2,577,573</u>	<u>2,575,553</u>
Total assets less current liabilities			
		<u>2,586,656</u>	<u>2,593,138</u>
Creditors: amounts falling due after more than one year	11b	(14,400)	(19,200)
Net assets			
		<u>2,572,256</u>	<u>2,573,938</u>
FUNDS			
Unrestricted Fund - General	12	794,473	711,085
Restricted Funds	16	<u>1,777,783</u>	<u>1,862,853</u>
Total funds			
		<u>2,572,256</u>	<u>2,573,938</u>

These financial statements have been prepared in accordance with the provisions of the Companies Act 2005 applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees and authorised for issue on 22 June 2020 and signed on their behalf by:



.....
Paul Davey, Interim Chair

Company number: 00982544

The notes on pages 29 to 36 form part of these financial statements.

Amref Health Africa Statement of Cash Flows for the year ended 31 December 2019

	Note	2019 £	2018 £
Cashflow from operating activities	17	<u>120,585</u>	<u>339,140</u>
Cashflow from investing activities			
Interest income		1,117	941
Purchase of tangible fixed assets		<u>-</u>	<u>(14,984)</u>
Net cashflow from investing activities		1,117	(14,043)
Net increase in cash and cash equivalents in year		<u>121,702</u>	<u>325,097</u>
Cash and cash equivalents at beginning of year		<u>2,902,310</u>	<u>2,577,213</u>
Total cash and cash equivalents at end of year		<u><u>3,024,012</u></u>	<u><u>2,902,310</u></u>

The notes on pages 29 to 36 form part of these financial statements.

1 Summary of significant accounting policies

(a) General information and basis of preparation

AMREF Health Africa is a company limited by guarantee registered in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 4 of these financial statements. The nature of the charity's operations and principal activities are to engage, inspire, and influence people to invest in lasting health change across Africa.

The charity constitutes a public benefit entity as defined by FRS 102. 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity, and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Transfers between restricted funds take place in accordance with funding agreements or with the express permission of the funder.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services (Gifts in Kind) which the Charity would otherwise have purchased are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity; that is the amount the charity would be willing to pay in the open market for the equivalent benefit of such facilities and services. A corresponding amount is recognised in expenditure. A threshold of £500 is applied for each facility or service.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102) 2015.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of its charitable work. Income from government and other grants are recognised at fair value when the charity has entitlement, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Other unrestricted income includes gains arising from foreign exchange transactions which do not relate to restricted funds. Any material unrealised foreign exchange gains are included below net income and realised gains are included within other income.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes those costs incurred in seeking potential funders and applying for funding.
- Expenditure on charitable activities includes granting funds to Amref HQ in respect of our charitable work, and our own associated costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1 Summary of significant accounting policies (continued)

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to Costs of Raising Funds and Expenditure on Charitable Activities on a basis consistent with use of the resources. Overheads have been allocated on the basis of staff time.

The analysis of these costs is included in note 5.

(f) Tangible fixed assets

Tangible fixed assets costing less than £500 are not capitalised and are written off in the year of purchase. Tangible fixed assets which are capitalised are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life which for equipment and computers is three years.

(g) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(i) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(j) Foreign currency

Foreign currency transactions are initially recognised using the monthly exchange rate.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate. Gains and losses on exchange are allocated to the appropriate resource.

(k) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(l) Tax

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. It therefore does not suffer tax on income or gains applied for charitable purposes.

(m) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the impact of COVID 19 on the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The projected income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(n) Financial Instruments

The charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity and their measurement basis are as follows:

Financial assets – trade and other debtors (including accrued legacy and gift aid income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 10. Prepayments are not financial instruments. Amounts due to Amref HQ are held at face value less any impairment.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 11. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver charitable services rather than cash or another financial instrument. Amounts due to Amref HQ are held at face value less any impairment.

Amref Health Africa Notes to the Financial Statements (continued) for year ended 31st December 2019

2 Incoming resources from donations and legacies

	2019 (12m)	2018 (15m)
	£	£
Individual sponsorship / event donations	44,354	102,483
Individual donors	395,431	429,605
Legacies	1,754	28,073
Corporate Donors	26,767	-
Trusts and Foundations	362,107	58,803
Gifts In Kind	<u>5,232</u>	<u>-</u>
	<u>835,645</u>	<u>618,964</u>

3a Income from charitable activities

Corporates

GlaxoSmithKline	2,637,965	2,199,034
Total Corporates	2,637,965	2,199,034

Governments

European Commission	48,858	-
DfID	20,951	-
Total Governments	69,809	-

Other Institutional donors

The National Lottery Community Fund	127,676	49,691
Comic Relief	115,211	540,810
Total Other Institutional donors	242,887	590,501

Trusts and Foundations

People's Postcode Lottery	450,000	-
Allan and Nesta Ferguson Charitable Trust	-	200,000
The Waterloo Foundation	98,000	-
James Percy Foundation	98,273	89,803
The Hermitage Trust	20,000	-
Medicor Foundation	-	50,000
Good Gifts	902	24,973
Other Trusts < £15k	38,088	34,500
Total Trusts & Foundations	705,263	399,276

<u>3,655,924</u>	<u>3,188,811</u>
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3b Incoming resources from other trading activities

	2019 (12m)	2018 (15m)
	£	£
Christmas cards	<u>2,467</u>	<u>7,384</u>

Amref Health Africa Notes to the Financial Statements (continued) for the year ended 31st December 2019

4 Resources Expended

	Expenditure on		2019 total
	Raising funds	Charitable activities	(12m)
	£	£	£
Staff Costs	389,578	363,336	752,914
Direct costs	33,497	3,500,422	3,533,919
Support costs	100,760	116,342	217,102
	<u>523,835</u>	<u>3,980,100</u>	<u>4,503,935</u>

	Expenditure on		2018 total
	Raising funds	Charitable activities	(15m)
	£	£	£
Staff Costs	422,371	515,472	937,843
Direct costs	77,419	3,885,956	3,963,375
Support costs	31,386	190,753	222,139
	<u>531,176</u>	<u>4,592,181</u>	<u>5,123,357</u>

Direct costs of charitable activities are predominantly (£3,441,266 (2019), £3,824,195 (2017/18)) made up of grants remitted to Amref HQ for objectives

5 Support costs allocation

	Raising funds	Charitable activities	2019 total
	£	£	(12m)
	£	£	£
Premises costs	59,157	68,306	127,463
Governance costs	8,133	9,390	17,523
Other office and operational costs	33,470	38,646	72,116
Total	<u>100,760</u>	<u>116,342</u>	<u>217,102</u>

	Raising funds	Charitable activities	2018 total
	£	£	(15m)
	£	£	£
Premises costs	68,999	83,122	152,121
Governance costs	12,298	14,814	27,112
Other office and operational costs	19,461	23,445	42,906
Total	<u>100,758</u>	<u>121,381</u>	<u>222,139</u>

6 Governance costs

	2019 (12m)	2018 (15m)
	£	£
Auditors remuneration - Current period audit fee	15,960	15,480
Auditors remuneration - Audit fee in respect of prior years	0	1,260
Other costs	1,563	10,372
	<u>17,523</u>	<u>27,112</u>

£1,077 was reimbursed or paid by the charity during the year to / for one trustee for travel and other expenses incurred on the charity's business (2018 - £2,907 to two trustees).

Amref Health Africa Notes to the Financial Statements (continued) for the year ended 31st December 2019

7 Staff costs and numbers

	2019 (12m)	2018 (15m)
	£	£
The aggregate payroll costs comprised:		
Wages and Salaries	599,702	770,530
Social Security Costs	59,550	78,282
Employer's Pension costs	43,562	54,168
Other staff costs	<u>50,100</u>	<u>34,863</u>
	<u>752,914</u>	<u>937,843</u>

Average number of staff during the year by function:

	2019	2018
Fundraising	3	5
Communications	2	1
Programme Development	5	6
Governance and Administrative Support	<u>6</u>	<u>5</u>
	<u>16</u>	<u>17</u>

The employee benefits for key management personnel (including employer's National Insurance costs) were £287,071 (2018: £308,384 and on a 12 month basis the pro-rated equivalent is £246,707).

In the year ended 31 December 2019, there were the following number of employees with remuneration in excess of £60,000:

	2019 (12m)	2018 (15m)	2018 (12m)
£60,000-£69,999	-	2	-
£70,000-£79,999	-	-	1
£80,000-£89,999	-	-	-
£90,000-£99,999	-	1	-

During the year, no Trustee received any remuneration (2018: none).

8 Net outgoing / (incoming) resources

	2019 (12m)	2018 (15m)
	£	£
Is stated after charging:		
Auditors remuneration:		
Current year audit fee	15,960	15,480
Audit fee in respect of prior years	-	1,260
Depreciation of Fixed Assets	8,502	11,426
Lease rentals	<u>61,043</u>	<u>72,007</u>

9 Fixed assets – equipment and computers

	31/12/2019
	£
Cost brought forward as at 1st January 2019	75,794
Cost carried forward as at 31st December 2019	75,794
Depreciation brought forward as at 1 January 2019	58,209
Charge during the year	8,502
Depreciation carried forward as at 31st December 2019	66,711
Net book value brought forward as at 1 January 2019	17,585
Net book value carried forward as at 31st December 2019	9,083

10 Debtors

	31/12/2019	31/12/2018
	£	£
Debtors	245	1,979
Accrued income	34,413	329,425
Prepayments and other debtors	13,562	67,730
Amounts due from AMREF HQ	62,423	658
	110,643	399,792

11a Creditors: amounts falling due within one year

	31/12/2019	31/12/2018
	£	£
Trade Creditors	8,052	20,157
Amounts due to AMREF HQ	10,792	269,197
Accruals and other creditors	33,471	72,229
Deferred income	499,967	360,166
Leasing liability	4,800	4,800
	557,082	726,549

Deferred Income

Balance brought forward as at 1st January 2019	360,166
Released in 2019	(360,166)
Income received and deferred in 2019	499,967
Balance carried forward as at 31st December 2019	499,967

Deferred income relates to grant income received before the year-end where the conditions for recognition have not been met as at the year end.

11b Creditors: amounts falling due after more than one year

Leasing liability	14,400	19,200
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12 Reconciliation of funds

	Unrestricted: General Funds	Restricted Funds	2019
	£	£	£
Analysis of Reserves			
Tangible Fixed Assets	9,083	-	9,083
Net Current Assets	799,790	1,777,783	2,577,573
Creditors of more than one year	(14,400)	-	(14,400)
	794,473	1,777,783	2,572,256
Analysis of Reserves (Prior Year)			
Tangible Fixed Assets	17,585	-	17,585
Net Current Assets	712,700	1,862,853	2,575,553
Creditors of more than one year	(19,200)	-	(19,200)
	711,085	1,862,853	1,862,853

During the course of the period our reserves calculations were updated in line with our policy as detailed in the Trustee's Report. The closing level of unrestricted free reserves is above the upper threshold of the aimed-for range.

The closing level of restricted reserves reflects the timing of grant receipts compared to their disbursement to Amref HQ in Nairobi.

13 Capital and Financial commitments

The charity committed to subscribe to a London Marathon Golden Bond during the next year at £1,980 per annum including VAT (2018: £1,800).

At 31 December 2019 the Charity had future minimum lease payments under non-cancellable operating leases due in the periods below as follows:

	Leasehold Property £	Equipment £
Within one year	47,875	5,153
Between two to five years	107,719	4,238

A ten year agreement for the leasehold property started in March 2013 and was renegotiated in April 2018.

Lease payments of £61,043 (£72,007 in the 15 month period to 31 December 2018) have been recognised as an expense.

There are no contingent liabilities at the end of December 2019.

14 Liability of Members

At 31st December 2019 the charity had 5 members (2017/18: 6 members). The liability of each member to contribute to the assets of the charity in the event of winding up is limited to £10.

15 Related party transactions

- a) Amref Health Africa (" Amref UK") is a national office of the Amref global network, coordinated through a company of the same name based in Nairobi, Kenya ("Amref HQ").

The arrangement between the two organisations, and the responsibilities of both organisations, is summarised in a written Memorandum of Cooperation signed by both parties. This does not supersede the respective autonomy of each organisation.

The transactions with Amref HQ were as follows:

	2019 £	2018 £
Balances due to/(from) Amref UK at the start of the year	(268,539)	(60,707)
Grants and other payments payable from Amref UK to Amref HQ in the year	(3,441,266)	(3,824,195)
Net payments made (to)/ from Amref UK to Amref HQ	3,761,436	3,616,363
Balance due (from)/to Amref UK at end of the year	51,631	(268,539)

- b) During the year, £450 (2018: £522) was spent on coffee beans with Capital Coffee Roasters Ltd., a company owned by the parents of one of the Key Management Personnel. There was no balance due at the period end. Amref UK has also entered into a loan agreement without charge with this company for the provision of a coffee machine.
- c) Donations from Related Parties
Unrestricted donations of £13,415 and Christmas card sales were recorded from 8 Trustees and KMP in the year (£5,048 from 9 Trustees in 2017/18).

Amref Health Africa Notes to the Financial Statements (continued) for the year ended 31st December 2019

16 Restricted Funds

The income of the charity includes both restricted and unrestricted funds. The table below summarises the balances on restricted donations and grants held at 31st December 2019.

Country	Brought Forward			Carried Forward
	01/01/2019	Income	Expense	
	£	£	£	
Ethiopia	15,850	261,458	(258,101)	19,207
Kenya	333,014	920,508	(623,870)	629,652
Tanzania	16,936	704,802	(695,473)	26,265
Uganda	82,801	231,639	(193,603)	120,837
AMREF HQ & Regional Work	1,017,536	1,357,000	(1,511,245)	863,291
UK office	3,733	-	-	3,733
Malawi	200,000	-	(100,087)	99,913
Namibia and Botswana	192,983	350,000	(528,098)	14,885
Total	1,862,853	3,825,407	(3,910,477)	1,777,783

Details of the programmes delivered in the year under our four thematic areas can be found in the table on pages 8-9 of the Trustees Annual Report. Our work in South Africa is included in our Regional category.

Country	Brought Forward			Carried Forward
	01/10/2017	Income	Expense	
	£	£	£	
Ethiopia	45,944	359,913	(390,007)	15,850
Kenya	560,582	499,069	(726,637)	333,014
Tanzania	148,913	273,535	(405,512)	16,936
Uganda	110,131	254,795	(282,125)	82,801
AMREF HQ & Regional Work	1,894,291	1,183,499	(2,060,254)	1,017,536
UK office	3,733	-	-	3,733
Malawi	-	200,000	-	200,000
Namibia and Botswana	350,000	350,000	(507,017)	192,983
Total	3,113,594	3,120,811	(4,371,552)	1,862,853

17 Reconciliation of net movement in funds to net cash flow from operating activities

	2019	2018
	£	£
Net movement in funds	(1,682)	(1,307,163)
Add back depreciation charge	8,502	11,426
Deduct interest income	(1,117)	(941)
Decrease in debtors	289,149	1,208,583
(Decrease) / increase in creditors	(174,267)	427,235
Net cash generated in operating activities	120,585	339,140