



**Report of the Trustees
and Financial Statements
For the year ended 30th September 2017**

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS	2
WHO WE ARE	4
Amref in the UK	4
OUR STRATEGIC OBJECTIVES	5
OUR ACHIEVEMENTS: PROGRAMME DEVELOPMENT.....	6
Uganda: Improving Maternal and Child Health of Marginalised Women and Girls	8
Strengthening our WASH Work and Tackling Trachoma in Ethiopia	8
Sexual Reproductive Health and Rights (SRHR) Advocacy in Tanzania	9
OUR ACHIEVEMENTS: FUNDRAISING	10
Individual Giving	10
Trusts and Foundations.....	11
Corporate Partnerships.....	11
The GSK Partnership	12
Community and Events	13
OUR ACHIEVEMENTS: COMMUNICATIONS.....	13
FINANCIAL REVIEW	14
Reserves Policy.....	15
Investments	15
Related Party Transactions	16
STRUCTURE, GOVERNANCE AND MANAGEMENT	16
Constitution and Governing Documents.....	16
Governance	16
Pay Policy for Senior Staff	17
RISK MANAGEMENT STATEMENT	18
Principal Risks and Uncertainties	18
TRUSTEES' RESPONSIBILITY STATEMENT	18
REPORT OF THE AUDITOR.....	20

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

STATEMENT OF FINANCIAL ACTIVITIES.....	24
BALANCE SHEET AS AT 30 SEPTEMBER.....	25
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2017	26
NOTES TO FINANCIAL STATEMENTS	27

REFERENCE AND ADMINISTRATIVE DETAILS

Patron: HRH The Prince of Wales

President: The Duke of Richmond & Gordon

Board of Directors (and Trustees):

Mr Mark Chambers (Chairman)

Ms Amanda Caine (Treasurer)

Ms Sue Hunt

Mr Craig Pollard

Mr Alistair Smith

Mr Paul Davey (Resigned on 28th February 2017)

Ms Sally James (Resigned on 28th February 2017)

Internal Key Management Personnel:

Chief Executive: Ms Frances Longley

Head of Finance and Company Secretary: Mrs Stella Helps

Head of Operations (new position): Mr Steve Hindle (from May 2017)

(NB. Prior to the arrival of Mr Hindle, the Programmes department was overseen by the Programmes Manager, a position held by Miss Melanie Coyne until June 2017.)

Head of Fundraising (new position): Mrs Katie Greywood (from March 2017)

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

Charity Number: 261488

Company Number: 00982544

Registered Office:

Lower Ground Floor
15-18 White Lion Street
London N1 9PD

Bankers:

C Hoare & Co

37 Fleet Street
London EC4P 4DQ

Barclays Bank

7th Floor, United Kingdom House
180 Oxford Street
London W1D 1EA

CCLAA

Senator House
85 Queen Victoria Street
London EC4V 4ET

Auditors:

MHA MacIntyre Hudson, Chartered Accountants & Statutory Auditor
New Bridge Street House
30-34 New Bridge Street
London EC4V 6BJ

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.

Amref Health Africa

TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

WHO WE ARE

Amref Health Africa is Africa's leading health charity. We believe that access to adequate and affordable healthcare is a human right. Moreover, we believe that healthcare is key to a brighter future: freedom from poverty, economic empowerment, and the fulfilment of human rights. From headquarters in Nairobi, Amref Health Africa works 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 by 2030, Amref 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 objective.

Amref in the UK

Amref Health Africa 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 £5 million, we support a portfolio of innovative health programmes funded by a range of donors including institutions, corporate partners, trusts and foundations, and individuals.

Whilst aligning our messaging with Amref's global strategy, our UK-specific iteration of the Amref brand focusses on the interests, needs and rights of women and girls. UK-funded projects focus on four thematic areas, all of them vital to achieving lasting health change: maternal, new-born and child health (MNCH); water, sanitation and hygiene (WASH); sexual and reproductive health and rights (SRHR); and health system strengthening, primarily through human resources for health (HRH). 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 2016/17, Amref Health Africa UK funded 16 projects 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 past year has been a pivotal one for Amref UK. In October 2016, we entered the first year of an ambitious three-year strategy, which will take us through to the end of September 2019. Developed during the previous financial year, the new strategy is guided by the principles of quality, focus, and confidence, and aims to equip Amref UK for further growth. Our strategic objectives are as follows:

- Complete the 'Getting Our House in Order' programme of systems and process improvement;
- Ensure the organisation remains financially sustainable;
- Establish a new culture and new ways of working;
- Establish ourselves as the UK's authoritative voice and charity of choice on women's and girls' health and motherhood in Africa;
- Strengthen Amref UK's voice within Amref globally.

All with a view to expanding the reach and impact of our work in Africa.

During the financial year 2016-17 many of Amref UK's efforts were focused on achieving the first of these objectives, 'Getting Our House in Order', thereby laying the groundwork for our future plans. We conducted a thorough review of our systems and processes to ensure they were robust, resilient, and fit for purpose, along with providing value for money. We developed and implemented new processes for budgeting and planning, both here in the UK and for the projects in Africa which we support. We continued work to review every aspect of our fundraising processes, including rigorous preparations for the new data protection requirements which will come into force in May 2018 (General Data Protection Regulation, or GDPR). We migrated to new IT and phone systems, which are now fully operational. This transition has had a positive impact on the London office's day-to-day activities. We are also implementing a new, more versatile and user-friendly finance system.

In terms of human resources, we are pleased to report that the London team is now at full capacity. This financial year saw the creation of two key positions at senior management level. In May 2017, Steve Hindle took on the role of Head of Operations to oversee the implementation of the new strategy. In March, Katie Greywood was appointed as Head of Fundraising - another new position that reflects the strategic importance of the fundraising function in Amref's plans for the next three years. Finally, additional resources were brought in to support the Finance team during the transition to the new IT and finance systems.

With these changes, we are confident that we have the means to achieve our strategic ambitions.

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

We were able to make these crucial investments thanks to some careful planning on the part of Amref UK's Board and Senior Management. At the end of the previous financial year (2015/16), the Trustees established enough unrestricted net free reserves to cover four to six months' operational costs, safeguarding our core activities in periods of fluctuating income. In addition, we earmarked £219,000 of reserves to be spent during 2016/17 on the investments in systems and new staff posts required to strengthen our organisation, aware that the investments would not start to generate significant additional income until the following financial year. Amref UK nonetheless ended the 2016/17 financial year in a strong position, not only maintaining our core reserves but exceeding our target income, with an unrestricted surplus of £33,076. In part, this was thanks to the receipt of a very generous legacy, which had not been forecast in the budget. This will enable further investment and growth in the coming year as we pursue our strategic ambitions. Please see the 'Financial Review' section for further details.

OUR ACHIEVEMENTS: PROGRAMME DEVELOPMENT

In line with our strategic objectives, Amref UK has 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 focussed, strategic portfolio of projects, to an extremely high standard.

The table below details the projects supported by Amref Health Africa UK between October 2016 and September 2017:

Country	Projects	Area of activity	Donor income in FY 2016/17
Ethiopia	3	<ul style="list-style-type: none"> • Water and Sanitation • Clinic construction 	<ul style="list-style-type: none"> • Allan & Nesta Ferguson Charitable Foundation • Pharo Foundation • Comic Relief • Euromoney Institutional Investors • Headley • Bryan Guinness Trust • Faroe Islands • Peter Stebbings • Evan Cornish • GSK

Amref Health Africa

TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

Kenya	5	<ul style="list-style-type: none"> • Mobile Health (mHealth) • Maternal, New-born & Child Health • HIV & AIDS • Non-Communicable Diseases • Human Resources for Health 	<ul style="list-style-type: none"> • Accenture • The Big Lottery Fund (BIG) • Comic Relief • European Commission • JOAC • The Dulverton Trust • GSK • Wolfson College, University of Oxford • Veta Bailey Charitable Trust • Bryan Guinness Trust
Tanzania	4	<ul style="list-style-type: none"> • Maternal, New-born & Child Health • Sexual Reproductive Health & Rights 	<ul style="list-style-type: none"> • Allen and Overy LLP • GSK • The Big Lottery Fund • Government of the Faroe Islands • Wolfson College, University of Oxford • HDIF
Uganda	1	<ul style="list-style-type: none"> • Water and sanitation, • Maternal, New-born & Child Health 	<ul style="list-style-type: none"> • Comic Relief
South Africa	1	<ul style="list-style-type: none"> • Non-Communicable Diseases 	<ul style="list-style-type: none"> • GSK
South Sudan	1	<ul style="list-style-type: none"> • Fistula surgical outreach 	<ul style="list-style-type: none"> • Goodwood
Regional	1	<ul style="list-style-type: none"> • Human Resources for Health • Maternal, New-born & Child Health 	<ul style="list-style-type: none"> • GSK 20% Reinvestment Initiative funds 13 projects in Angola, Burundi, Djibouti, Ethiopia, Lesotho, Madagascar, Malawi, Mozambique, Rwanda, South Sudan, Tanzania, Uganda, Zambia.
Total	16		

Below are some of this year's key achievements. Please note that an update on Amref UK's long-running partnership with GSK is included in the following section, 'Fundraising'.

Uganda: Improving Maternal and Child Health of Marginalised Women and Girls

2017 saw our four-year Maternal, New-born and Child Health (MNCH) project, implemented in two districts in Central Uganda (Kyankwanzi and Nakaseke) and funded by Comic Relief, enter its third year. We quickly surpassed our end-of-project target of reaching 900 men through male forums (led by Amref-trained male champions), to increase their knowledge of key MNCH issues. By the end of year two, 1,677 men had already been reached, and we have revised our target accordingly.

The project has also seen a 13% increase in the number of pregnant women attending at least four antenatal care visits during their pregnancy, and a 20% increase in the percentage of deliveries attended by skilled personnel.

In January 2017, 25 District Health Team members from both Kyankwanzi and Nakaseke received training on leadership, management and governance. A pre-training test showed that 20% of participants knew how to prioritise MNCH services. By the end of the session, this had risen to 98%.

Strengthening our WASH Work and Tackling Trachoma in Ethiopia

This year we continued to strengthen our vital Water, Sanitation and Hygiene (WASH) work in Ethiopia through two projects funded by Comic Relief and Euromoney Institutional Investor Plc.

With funding from Comic Relief, Amref improved access to WASH facilities, designed and constructed gender-sensitive and sustainable facilities for sanitation in schools, and enhanced associated management systems. Since the beginning of the project in 2015, Amref has built 13 sanitation facilities in four schools and nine communal areas in the slums of Addis Ababa, reaching 3,744 schoolgirls and 1,458 community members. The project also supported the establishment of WASH committees and school WASH clubs to ensure the effective management of the sanitation facilities, foster a sense of ownership, and guarantee the sustainability of the project.

For the past five years, and with funding from Euromoney and several foundations, Amref has been working in partnership with Orbis to implement the World Health Organization's SAFE (Surgery, Antibiotics, Facial Cleanliness and Environmental change) strategy for trachoma reduction in the South Omo region. 2017 saw the project, which aims to increase access to water supply and sanitation facilities and to improve hygiene and health practices, enter its final year. So far, Amref has provided

31,690 people with WASH services and built the skills of 150 WASH committee members. The preliminary results of an impact survey conducted by Orbis suggest that the incidence of trachoma in the two target districts - both very remote, with extremely limited access to health and WASH facilities - has fallen dramatically. A final evaluation will be undertaken in early 2018, but it is already clear that this is a project Amref UK can be extremely proud of - and an example of what strategic collaboration can achieve.

Sexual Reproductive Health and Rights (SRHR) Advocacy in Tanzania

In just two years, Amref's collaboration with international law firm Allen & Overy LLP on two Sexual Reproductive Health and Rights (SRHR) projects has improved access to SRHR services and education for over 120,000 young people, and successfully advocated for an 18-fold increase in public spending for SRHR services in Tanzania. The focus in 2016/17 has been on strengthening the long-term sustainability of the project, using the advocacy training and toolkit developed by Allen & Overy. Young people from the community have been trained on grassroots advocacy with a view not only to making this intervention sustainable in the long term, but also to influencing national policy changes on SRHR issues. Great strides have already been made through the advocacy efforts conducted: in Meatu District, comprehensive sexual education has been integrated into all 134 schools, and the Meatu District Council has approved the allocation of TZS 36 million for SRHR services for the 2017-2018 financial year, a significant increase from the previous allocation of TZS 2 million.

Another important aspect of the project is the creation of an environment for the reduction of harmful traditional practices such as female genital mutilation (FGM), that affect the SRHR of women. So far, 170 Maasai girls (7-14 years old) from Kilindi have been trained on SRHR topics including family planning methods, puberty, sexual and gender-based violence including the effects of FGM, the concept of alternative rites of passage (ARP) and their traditional rituals on adulthood, after which their ARP ceremony was carried out. The local elders and district officials were fully involved from the time of the training to the day of the ceremony to promote the ARP as a lasting practice.

With a view to sharing evidence-based research and strengthening Amref UK's reputation, the baseline study abstract for the project in Meatu has been selected for a poster presentation at two international conferences: the Tanzania Health Summit in November 2017, followed by the 19th International Conference on AIDS and STIs in Africa (19th ICASA) in Côte d'Ivoire in December 2017. This project is testament to what corporate partners and NGOs can achieve in a truly strategic partnership.

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

In performing the above activities, the Trustees are satisfied that the Charity has met the Charity Commission's requirements on public benefit. By supporting the work delivered by our colleagues in sub-Saharan Africa, Amref UK has improved access to healthcare for individuals, families and communities in 17 countries - including those living in some of the African continent's most remote and hard-to-reach regions.

OUR ACHIEVEMENTS: FUNDRAISING

In line with Amref UK's three-year strategy, 2016/17 was a period of change and development for the fundraising team. A Head of Fundraising was appointed in March 2017, and oversaw the expansion of the team to six full-time staff, including an Individual Giving Officer, Trusts and Foundations Officer, Corporate Partnerships Officer, Philanthropy Executive (focusing on major giving), and Fundraising Assistant.

The new team was successful in exceeding the overall budget targets set in the half-year reforecast, as well as carrying out various projects, including prospect research, pipeline management and relationship development to ensure success in the following financial year, particularly in the high-value areas of trust, corporate and major gifts fundraising.

Individual Giving

Income from Individual Giving generated a total of £468,022 in 2016/17, primarily through the generosity of supporters giving on a regular basis and responding to our seasonal appeals, but also through a particularly generous £120,000 legacy from a long-standing supporter, and a major gift of £10,000.

A full-time Individual Giving Officer and full-time Fundraising Assistant focus on this income stream, together with community and events fundraising. Their priority in 2016/17 was to deliver inspiring and compelling communications for seasonal appeals, which covered topics including Universal Health Coverage and peer educators in sexual and reproductive health projects in Tanzania. They have also continued work to improve the CRM database in preparation for transition to a new web-based system in early 2018, and ensured delivery of excellent stewardship for existing supporters, including new materials, improved donation processing and better and more bespoke communications. The team were also able to make two significant Gift Aid claims during the year.

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

Trusts and Foundations

The Trusts and Foundations stream delivered £64,000 during the 2016/17 financial year, with £38,000 in unrestricted income, and £26,000 in restricted income (excluding income from larger trusts and foundations such as Comic Relief and Big Lottery Fund). Both figures were below the targets for the year, but nevertheless we regard 2016/17 as a positive year for trust fundraising.

The Trusts and Foundations Officer aimed to increase both smaller, unrestricted donations as well as improve relationships with larger trusts and foundations to build a strong pipeline for the years ahead, in line with Amref's long-term goals.

The lower-than-expected performance in unrestricted income reflects sector trends, with trusts increasingly preferring to give unrestricted income to emergency appeals or campaigns that attract matched-funding, such as UK Aid Match or the Big Give. With this in mind, Amref is working to take part in both these campaigns in 2017/18.

The restricted income figure reflects timing differences, as four six-figure applications were developed in 2016/17, with results not expected until 2017/18. This results in a very strong start to the 2017/18 financial year, with over £250,000 total income projected for the year from trusts and foundations.

Outside of financial performance, the trusts function received several pieces of positive feedback on Amref's approach to donor communications and stewardship during the year, particularly from long-term donors Wolfson College, Goodgifts, and the Lord Deedes of Aldington Trust, all of which increased their donations as compared to the previous year.

Corporate Partnerships

Income from corporate partnerships (excluding GSK, which is set out below) totalled £245,882 in 2016/17, and primarily reflects a final Gift Aid donation from Allen & Overy (the formal partnership having ended in September 2016), along with an additional grant from Euromoney towards Amref's project to eliminate trachoma in South Omo, Ethiopia (as well as fundraising at several Euromoney events in London). This figure also includes the final instalment (£106,287) of funding in our partnership with Accenture which, over fifteen years, has supported the inception and development of Leap, the mobile learning platform that enables health workers to continue building their skills as they work. Leap has now been incorporated into Amref's portfolio of social enterprises which are expected to be income-generating.

The existing Corporate Partnerships Officer, who was primarily focused on account management for existing partners, left the organisation in April 2017. A new Corporate Partnerships Officer, with a focus on new business, joined in August 2017. In line with our three-year strategy, the new Corporate

Partnerships Officer will focus on building Amref's corporate case for support, presence, networks and contacts with a view to securing more strategic partnerships in 2017/18, as well as developing the breadth of organisations that Amref works with to raise more in unrestricted funds from this income stream.

The GSK Partnership

As we gear up to celebrate a remarkable 30 years of our partnership with GSK in 2018, this key relationship has continued to grow and evolve. In financial terms, this continues to be our most significant corporate partnership, representing £2.2 million in income during the 2016/17 financial year. It is also a truly strategic collaboration, strengthening health systems and changing lives in some of the world's least developed countries.

In 2016/17, we continued to partner with GSK to train frontline health workers across the continent. Through the 20% Reinvestment Initiative (RI) we have worked in 13 low-income countries in sub-Saharan Africa. We also continued to build the capacity of health workers in preventing, diagnosing and treating the increasing burden of non-communicable diseases in Kenya and South Africa. As planned, we successfully initiated two further health worker training programmes in Namibia and Botswana, an additional grant worth £1,050,000 over a period of three years.

The latest instalment of the 20% Reinvestment Initiative has been funded at £1,248,000. This represents an additional £326,000 on top of the core funding GSK has committed to on an annual basis, and will allow us to invest over £100,000 in our Uganda programme, over £140,000 in South Sudan to support further training of health workers and resilience efforts, and almost £67,000 to strengthen our systems, notably our eLearning and mLearning management systems at our headquarters in Nairobi.

Amref UK also benefits from GSK's PULSE initiative, whereby GSK staff are seconded to a non-profit organisation to share their skills. This year, we have had a PULSE volunteer working in the London office to support the implementation of the new finance system, along with continued improvements in finance systems and processes, in her capacity as Finance Improvement Officer. Amref also received pro-bono training from GSK on commercial contracting and payment-by-results contracts.

Community and Events

The Community and Events function at Amref UK delivered a total of £13,436 in unrestricted funds in 2016/17. This reflects income from five London Marathon runners, as well as community events by supporters around the UK, and a number of individuals choosing to fundraise for Amref by taking part in challenge events. This is an area that Amref anticipates will grow in the coming years, as the organisation secures more corporate partnerships.

The fundraising team also spent time from June 2017 onwards planning for an event in October 2017 to mark Amref's 60th anniversary, and to reengage donors and supporters from across the fundraising income streams and beyond.

OUR ACHIEVEMENTS: COMMUNICATIONS

Objectives four and five of the new strategy have significant implications for the Communications function. Whilst aligning our messaging with Amref's global strategy, we will work to strengthen the UK-specific iteration of the Amref brand in order to advocate more effectively for the interests, needs and rights of women and girls. Amref UK will pursue a tightly-focused operational agenda, informed by decades of experience and expertise. Our communications and fundraising, tailored to the UK market, will reflect this approach. With all this in mind, the new position of Communications Manager was created.

This year, the focus of our efforts was our annual #SaveMothersDay campaign, which centred around the 'Celebrating African Womanhood' photo series, produced during the previous financial year in collaboration with photographer Dean Bradshaw. The images were picked up by the BBC's '100 Women' Instagram account, and featured by Media Planet and the Daily Mail Online. As part of the campaign, CEO Frances Longley was interviewed by nine radio stations, with a total airtime of over one hour and a combined audience of 780,000 people - a significant boost to Amref's visibility within the UK. The images and stories have been reproduced for other purposes and across a range of digital and offline platforms, demonstrating how worthwhile such an investment can be. Moreover, these images are representative of Amref's approach to communications, since they depict the women we work with as independent, empowered individuals working to transform their health and that of their families and communities.

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

The UK office has continued to play an active role in collective communications initiatives spearheaded by HQ. We are an active member of the Global Website and Social Media Working Group, which 'meets' monthly via Skype.

FINANCIAL REVIEW

Amref UK will continue to implement its new three-year strategy until September 2019. By this stage, we aim to have moved Amref Health Africa UK to a position of confident, sustainable strength, financially, systemically and culturally, creating a sound foundation for future growth.

We have developed a robust financial model to solidify and grow our various income streams in a prudent way. This will ensure we have the means to achieve our ambitions beyond 2019.

Unrestricted income was slightly lower than the previous year (£614k vs £699k), mainly without the generous funding from A&O and Goodwood received in the prior year; however, as outlined above, our corporate income strategy for the future is well underway. As planned, we invested **unrestricted funding** in-year as part of our three-year strategy. As a result, the unrestricted surplus of £33k is lower than the previous year (£171k before other gains).

With our headquarters located in Kenya, Amref Health Africa UK exists to raise awareness and funds to further our work in Africa. Here in the UK we use unrestricted funds to cover the costs of UK fundraising, to ensure restricted funds are fully used for programme implementation. We also continue to develop our cost recovery framework to ensure that we operate effectively and utilise our resources to best effect.

Our **restricted** income reduced by 22% compared to the prior year (£3.8 million vs £4.9 million). Some projects have ended in-year or towards the end of the previous year, resulting in lower income this year from DFID, the EC, the Big Lottery Fund and Accenture. As outlined above, income from A&O is also lower this year with the scheduled end of our two-year corporate partnership. As outlined below in the 'Risk Management Statement', we also saw a reduction in institutional funding opportunities; to mitigate this, we continue our work to establish a broader funding base to promote financial sustainability going forwards. This is reflected in the 10% increase in unrestricted spend in the year, to £581k. Restricted expenditure in year was £3.1 million, compared to £3.7 million last year. This is predominantly made up of transfers to Africa for programme implementation, and the reduction in year is primarily a direct result of the reduction in income. As last year, we saw a restricted surplus (£741k; last year £1.2 million). This is linked to the timing of receipt of grants, some of which are received in the UK in one large advance payment, which we then disburse over the lifecycle of the

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

project: as we are responsible for the effective use of these donor funds, we send funds on a regular basis to Amref HQ in line with project implementation and progress. This can lead to timing differences where we hold funds pending disbursement to Amref HQ.

Reserves Policy

We end the year with funds of £3.9 million. 80% of this however is restricted and therefore not available for the general purposes of the Charity. As set out above, this is a result of timing differences and represents funds pending disbursement to Amref HQ in line with project implementation and progress.

In terms of the unrestricted reserves, the reserves calculations which underpin our policy were revised during the year in line with the latest guidance from the Charity Commission to ensure that not only do 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.

The calculations showed that as at the end of 2016/17 we should aim to hold £415k - £584k in unrestricted free reserves.

The unrestricted free reserves held as at the end of 2016/17 were £753k, made up of unrestricted reserves less net Tangible Fixed Assets.

Whilst this exceeds the aimed-for range, the Trustees consider this to be prudent given the young age of some income streams and the consequent potential variability we may face in this regard. We will also be continuing our planned investment programme into the next financial year to continue to build our platforms for the future.

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 16 of the Financial Statements, during the year transactions were undertaken with Amref HQ in Kenya, and donations were received from three Trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and Governing Documents

Amref Health Africa 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 22 April 2015, as are the regulations concerning the appointment of new Directors.

Amref Health Africa 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

In 2006, the Board adopted the Good Governance Code for the Voluntary and Community Sector, as recommended by the Charities Commission. This code clarifies the role of Amref Health Africa UK's Board and its Directors and puts in place robust procedures for Board review and renewal, delegated responsibility, compliance and risk management. The republication of the Code in 2017 will be reflected in our 2017/18 reporting.

During 2017/18 Amref Health Africa UK will undertake a detailed review of our existing policies and practice in relation to appropriate conduct, safeguarding and whistleblowing.

Trustees provide support in key areas as well as providing scrutiny and strategic direction.

A steady renewal of Directors is provided by maximum terms of office (nine years). Succession planning arrangements ensure timely replacement of Directors resigning or reaching the end of their terms of office.

Amref Health Africa

TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

In this period, we started a process to streamline our Board sub-committees.

This financial year saw the transition of long-serving Amref UK Trustee Paul Davey from formal trustee status to Board Associate as a member of the Advisory Council, maintaining his membership of the Board while reducing his time commitment to enable him to join the Fundraising and Communications Committee (FRANCC) of the Amref International Board, where his marketing expertise and intimate knowledge of Amref will be invaluable.

As the financial year drew to a close, Amref UK's Board was preparing to launch the recruitment of three new Trustees. The recruitment plan was presented to the Board in November 2017. A review of the committee structure was also initiated in this period.

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.

Pay Policy for Senior Staff

The Board of Directors are the Charity's Trustees. Together with the senior management team, these 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 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.

***In Memoriam:** Amref Health Africa UK was saddened to learn of the passing of our President, the Duke of Richmond and Gordon, who died aged 87 in September 2017. We are very grateful for the Duke's loyal and generous support of Amref Health Africa, which was reflected by the late Duke's family choosing to dedicate the retiring collections at his funeral and memorial service to Amref Health Africa. The Duke was succeeded by his son, Charles Gordon-Lennox, the 11th Duke of Richmond and Gordon.*

RISK MANAGEMENT STATEMENT

A robust risk management process by quarterly review, involving staff and directors, 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.

Principal Risks and Uncertainties

Amref's three-year strategy, outlined in the introduction to this document, is in part a response to the risks faced by many non-profit actors in the current climate. Chief among these is the fall in the number and value of funding opportunities from institutional donors: indeed, 2016/17 has seen a decrease in the income Amref UK has received from our charitable activities. This can be explained by reduced funding opportunities from key institutional donors over the past two years.

Our new strategic plan seeks to address these challenges, primarily by diversifying our fundraising portfolio. The Programmes team is actively pursuing commercial contracts, as well as grants. The reconfigured Fundraising department is also seeking to grow and diversify the income it generates, with a closer focus on new corporate business and major giving.

Retention of staff in the face of a fast-moving employment context in our sector in London is a key risk in an organisation of our size. We seek to mitigate this through competitive benefits and a culture of staff development and engagement.

As the UK office of an NGO headquartered in East Africa, we are responsible for ensuring that grant funds sent to our African offices are spent and reported on appropriately. We mitigate the risks associated with this through formal agreements with our sister offices, robust internal processes and regular contact with colleagues across the Amref family, including support and monitoring visits by UK staff to project teams.

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

Amref Health Africa

TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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.


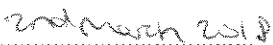
The Trustees are also responsible for keeping adequate accounting records that disclose with reasonable accuracy and are sufficient to show and explain the Charity's transactions and the financial position of the Charity at any time to enable the Board members to ensure that the financial statements 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 AND SIGNED ON ITS BEHALF BY:


..... ON 
Mr Mark Chambers, Chair

REPORT OF THE AUDITOR

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 30 September 2017 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 30 September 2017, 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

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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.

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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 pages 18 & 19, 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

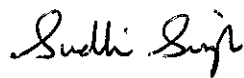
Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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
New Bridge Street House
30-34 New Bridge Street
EC4V 6BJ

Date 10 March 2018

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Note	2016/17			2015/16		
		Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds £	Restricted funds £	Total £
Income from:							
Donations and legacies	2	576,914	1,240	578,154	689,601	13,158	702,759
Charitable activities	3	-	3,809,273	3,809,273	-	4,898,346	4,898,346
Other trading activities	3	2,251	-	2,251	6,876	-	6,876
Investments		473	-	473	2,451	-	2,451
Other		34,089	-	34,089	-	-	-
Total income		613,727	3,810,513	4,424,240	698,928	4,911,504	5,610,432
Expenditure on:							
Raising funds	5	373,341	-	373,341	337,875	-	337,875
Charitable activities	5	207,310	3,069,546	3,276,856	189,625	3,726,786	3,916,411
Total expenditure		580,651	3,069,546	3,650,197	527,500	3,726,786	4,254,286
Net income / (expenditure)		33,076	740,967	774,043	171,428	1,184,718	1,356,146
Transfers between funds		-	-	-	-	-	-
Net movement in funds before other gains / (losses)		33,076	740,967	774,043	171,428	1,184,718	1,356,146
Other gains / (losses)		-	-	-	165,367	-	165,367
Net movement in funds		33,076	740,967	774,043	336,795	1,184,718	1,521,513
Total funds brought forward		734,431	2,372,627	3,107,058	397,636	1,187,909	1,585,545
Total funds carried forward	13	767,507	3,113,594	3,881,101	734,431	2,372,627	3,107,058

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 27 to 36 form part of these financial statements.

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

BALANCE SHEET AS AT 30 SEPTEMBER 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible Assets	10	<u>14,027</u>	<u>10,268</u>
CURRENT ASSETS			
Debtors	11	1,608,375	132,562
Cash at bank and in hand		<u>2,577,213</u>	<u>3,628,722</u>
		4,185,588	3,761,284
CREDITORS			
Amounts falling due within one year	12	<u>(293,314)</u>	<u>(634,494)</u>
NET CURRENT ASSETS		<u>3,892,274</u>	<u>3,126,790</u>
Total assets less current liabilities		<u>3,906,301</u>	<u>3,137,058</u>
Creditors: amounts falling due after more than one year	12b	(25,200)	(30,000)
Net assets		<u>3,881,101</u>	<u>3,107,058</u>
FUNDS			
Unrestricted Fund - General	13	767,507	734,431
Restricted Funds	17	<u>3,113,594</u>	<u>2,372,627</u>
Total funds		<u>3,881,101</u>	<u>3,107,058</u>

The financial statements were approved by the Trustees and authorised for issue on 2nd March 2018 and signed on their behalf by:



Mark Chambers, Chair

Company number: 00982544

The notes on pages 27 to 36 form part of these financial statements.

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Cashflow from operating activities	18	<u>(1,045,011)</u>	<u>1,517,537</u>
Cashflow from investing activities			
Interest income		473	2,451
Proceeds from reclassification of tangible fixed assets		2,351	-
Purchase of tangible fixed assets		<u>(9,322)</u>	<u>(11,988)</u>
Net cashflow from investing activities		(6,498)	(9,537)
Cash flows from financing activities		<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents in year		(1,051,509)	1,508,000
Cash and cash equivalents at beginning of year		<u>3,628,722</u>	<u>2,120,722</u>
Total cash and cash equivalents at end of year		<u><u>2,577,213</u></u>	<u><u>3,628,722</u></u>

The notes on pages 27 to 36 form part of these financial statements.

NOTES TO 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 £1 per member of the charity. The address of the registered office is given in the charity information on page 3 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) issued on 16 July 2014, 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(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.

(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 6.

(f) Tangible fixed assets

Tangible fixed assets 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(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 level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted 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 11. 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 12. 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
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2 Incoming resources from donations and legacies	2017	2016
	£	£
Individual sponsorship / event donations	13,436	67,524
Individual donors	331,393	331,993
Legacies	136,629	53,755
Corporate Donors	58,696	212,945
Trusts and Foundations	38,000	32,542
Gifts In Kind	-	4,000
	<u>578,154</u>	<u>702,759</u>

3a Income from charitable activities (all restricted)

	2017	2016
	£	£
Corporates		
Accenture	106,287	994,648
Allen & Overy	8,492	380,684
Euromoney	72,407	25,149
GlaxoSmithKline	2,176,189	1,744,927
Other corporates	-	21,711
Total Corporates	2,363,375	3,167,119
Governments		
Department for International Development	-	156,548
European Commission	30,877	187,826
Jersey Overseas Aid Commission	41,343	49,363
Foreign Service of the Faroes	-	54,427
Total Governments	72,220	448,164
Other Institutional donors		
Big Lottery Fund total	119,306	246,069
<i>Big Lottery Fund - Improving maternal and child health in Turkana, Kenya</i>	-	40,111
<i>Big Lottery Fund - Afya kwa Vijana - Good Health for Youth, Tanzania</i>	119,306	205,958
Comic Relief	1,228,372	894,508
Total Other Institutional donors	1,347,678	1,140,577
Trusts and Foundations		
Dulverton Trust	-	-
The Pharo Foundation	-	33,676
Headley Trust	-	25,000
Other Trusts < £15k	26,000	83,809
Total Trusts & Foundations	26,000	142,485
	<u>3,809,273</u>	<u>4,898,345</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3b Incoming resources from other trading activities

	2017 £	2016 £
Christmas cards	<u>2,251</u>	<u>6,876</u>

4 Gifts In Kind

	2017 £	2016 £
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During the year AMREF UK benefitted from Gifts In Kind as follows:

Design & print pro-bono work	-	2,000
Consultancy advice and training	<u>-</u>	<u>2,000</u>
	<u>-</u>	<u>4,000</u>

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

5 Resources Expended

	Raising funds	Expenditure on		2016
	£	Charitable activities	2017 total	£
Staff Costs	260,805	325,002	585,807	547,186
Direct costs	52,686	2,868,018	2,920,704	3,562,782
Support costs	59,850	83,836	143,686	144,318
	<u>373,341</u>	<u>3,276,856</u>	<u>3,650,197</u>	<u>4,254,286</u>

Direct costs of charitable activities are predominantly (£2,789,917) made up of grants remitted to Amref HQ for objectives, and include expenditure on the following, itemised at donors' request:

	£
Big Lottery Fund - Afya kwa Vijana - Good Health for Youth, Tanzania	96,188

6 Support costs allocation

	Raising funds	Charitable activities	2017 total	2016
	£	£	£	£
Premises costs	28,788	40,325	69,113	67,473
Governance costs	5,499	8,604	14,103	43,026
Other office and operational costs	25,563	34,907	60,470	33,819
Total	<u>59,850</u>	<u>83,836</u>	<u>143,686</u>	<u>144,318</u>

7 Governance costs

	2017	2016
	£	£
Auditors remuneration - Current year audit fee	13,500	14,760
Auditors remuneration - Audit fee in respect of prior years	524	(800)
Other costs	79	29,066
	<u>14,103</u>	<u>43,026</u>

Other governance costs last year were unusually high, with the work on shaping our three year strategy and on recruiting key Board positions.

£961.74 was reimbursed or paid by the charity during the year to / for two trustees for travel and other expenses incurred on the charity's business (2016 - £958.50 to two trustees).

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

8 Staff costs and numbers

	2017	2016
	£	£
The aggregate payroll costs comprised:		
Wages and Salaries	489,281	460,829
Social Security Costs	47,094	40,689
Employer's Pension costs	30,509	34,709
Other staff costs	18,923	10,959
	<u>585,807</u>	<u>547,186</u>

Average number of staff during the year by function:

	2017	2016
Fundraising	4	5
Communications	1	1
Programme Development	5	5
Governance and Administrative Support	4	3
	<u>14</u>	<u>14</u>

The employee benefits for key management personnel (including employer's National Insurance costs) were £202,088 (2016: £209,145 amended per new SORP requirement)

There was 1 employee with remuneration in excess of £60,000 (2016: one), in the range £70,000 - £79,999.

During the year, no Trustee received any remuneration (2016: none).

9 Net incoming resources

	2017	2016
	£	£
Is stated after charging:		
Auditors remuneration:		
Current year audit fee	13,500	14,760
Audit fee in respect of prior years	524	(800)
Depreciation of Fixed Assets	3,212	5,946
Lease rentals	<u>50,620</u>	<u>46,851</u>

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

10 Fixed assets – equipment and computers

	2017 £	2016 £
Cost at 1st October	80,461	68,473
Disposal	(28,973)	-
Purchases during the year	9,322	11,988
As at 30th September	60,810	80,461
Depreciation as at 1st October	70,193	64,247
Depreciation on Disposal	(26,622)	-
Charge during the year	3,212	5,946
As at 30th September	46,783	70,193
Net book value as at 30th September	14,027	10,268

11 Debtors

	2017 £	2016 £
Debtors	2,000	259
Accrued income	1,540,965	66,497
Prepayments and other debtors	64,283	63,673
Amounts due from AMREF HQ	1,127	2,133
	1,608,375	132,562

The main reason for the increase in accrued income is the annual tranche of income from GSK relating to the 20% Reinvestment Programme, which on this occasion was received just after the year end.

12a Creditors: amounts falling due within one year

	2017 £	2016 £
Trade Creditors	19,453	15,871
Social Security and other taxes	-	136
Pension Contributions	4,014	524
Amounts due to AMREF HQ	61,834	61,604
Accruals and other creditors	203,213	551,559
Leasing liability	4,800	4,800
	293,314	634,494

12b Creditors: amounts falling due after more than one year

Leasing liability	25,200	30,000
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13 Net assets between funds

	Unrestricted: General Funds £	Restricted Funds £	2017 £
Tangible Fixed Assets	14,027	-	14,027
Net Current Assets	778,680	3,113,594	3,892,274
Creditors of more than one year	(25,200)	-	(25,200)
	767,507	3,113,594	3,881,101

Analysis of Net assets between funds (Prior Year)

			2016
Tangible Fixed Assets	10,268	-	10,268
Net Current Assets	754,163	2,372,627	3,126,790
Creditors of more than one year	(30,000)	-	(30,000)
	734,431	2,372,627	3,107,058

Unrestricted reserves have been built up to underwrite UK costs, providing financial stability as we continue a planned programme of investment in the growth of the organisation in line with our three year strategy.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

14 Capital and Financial commitments

The charity committed to subscribe to a London Marathon Golden Bond during the next year at £1,800 per annum including VAT (2016: £1,800).

The total due in the periods below is as follows:

	Leasehold Property £	Equipment £
Within one year	42,670	15,627
Between two to five years	83,325	19,864

A ten year agreement for the leasehold property started in March 2013. There is a break clause in September 2020.

There are no contingent liabilities at the end of September 2017.

15 Liability of Members

At 30 September 2017 the charity had 5 members (2016: 7 members). The liability of each member to contribute to the assets of the charity in the event of winding up is limited to £10.

16 Related party transactions

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:

	2017 £	2016 £
Balances due to/(from) Amref UK at the start of the year	(59,471)	(126,049)
Grants and other payments payable to/(from) Amref UK to Amref HQ in the year	(2,789,917)	(3,394,697)
Net payments made (to)/ from Amref UK to Amref HQ	2,788,681	3,461,275
Balance due (from)/to Amref UK at end of the year	(60,707)	(59,471)

Donations from Related Parties

Unrestricted donations of £3,005 were received from 3 Trustees in the year 2016/17 (£7,320 from 4 Trustees in 2015/16).

Amref Health Africa
TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

17 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 30 September 2017. Transfers to and from project funds are made on project completion.

Country	Brought Forward			Transfers	Carried Forward
	01/10/2016	Income	Expense		30/09/2017
	£	£	£	£	£
Ethiopia	67,783	403,109	(424,948)		45,944
Kenya	179,403	1,297,843	(916,664)		560,582
Sudan	-	1,000	(1,000)		-
Tanzania	388,118	177,835	(417,040)		148,913
Uganda	104,657	205,366	(199,892)		110,131
AMREF HQ & Regional Work	1,632,650	1,716,868	(1,105,227)		2,244,291
UK office	16	8,492	(4,775)		3,733
Total	2,372,627	3,810,513	(3,069,546)	-	3,113,594

Details of the projects conducted in the year under our four thematic areas can be found in the table on page 6 of the Trustees Annual Report.

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

	2017	2016
	£	£
Net movement in funds	774,043	1,521,513
Add back depreciation charge	3,212	5,946
Deduct interest income	(473)	(2,451)
Decrease (increase) in debtors	(1,475,813)	(48,390)
Increase (decrease) in creditors	(345,980)	40,919
Net cash used in operating activities	(1,045,011)	1,517,537

The main reason for the increase in debtors is the accrued income relating to the GSK 20% Reinvestment Programme, as set out in note 11.

