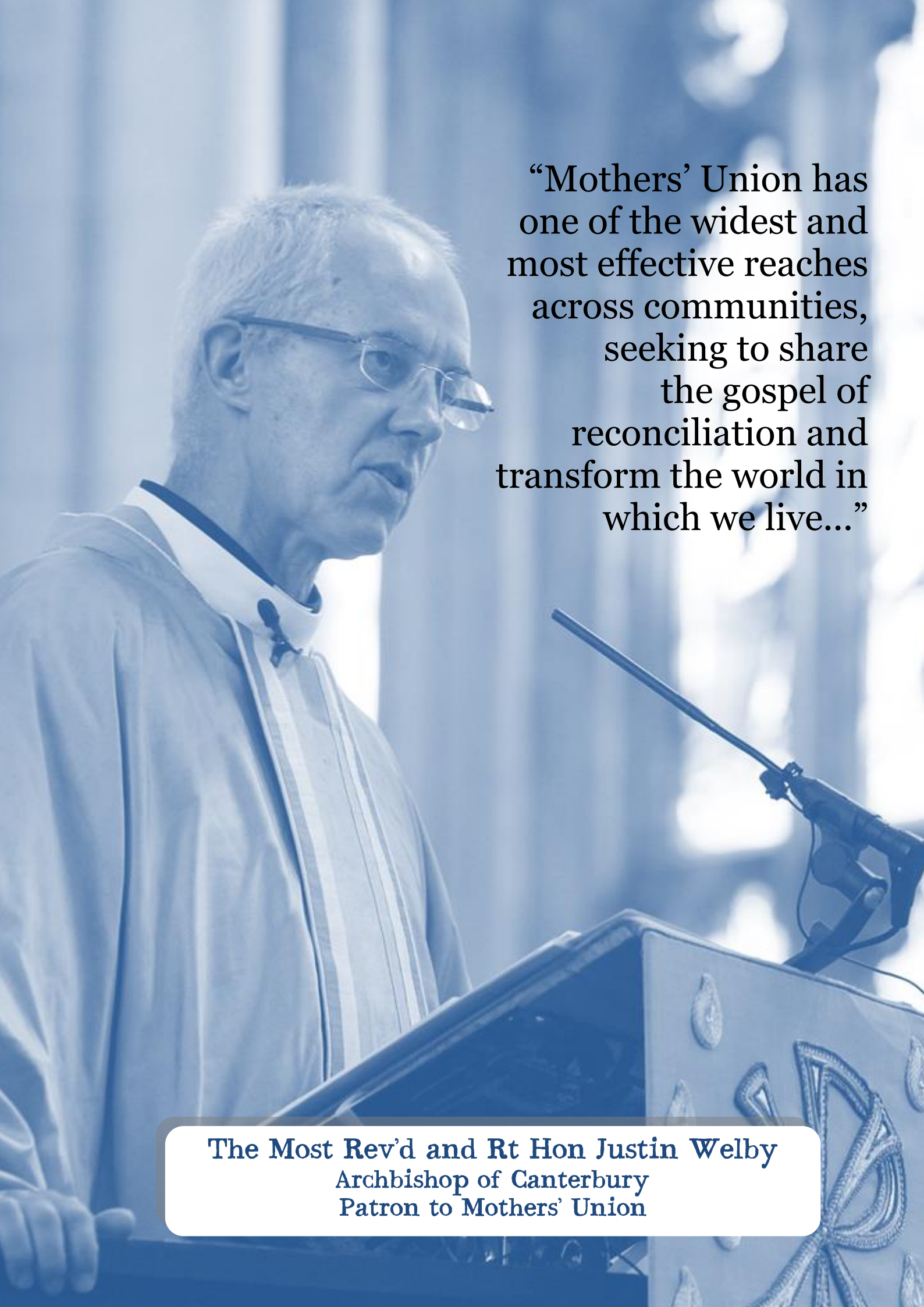


Mothers' UNION
Christian care for families

ANNUAL ACCOUNTS 2017



**LAUNCH OF THE 'SUMMER OF HOPE' APPEAL
TO SUPPORT FAMILIES AROUND THE WORLD**



“Mothers’ Union has
one of the widest and
most effective reaches
across communities,
seeking to share
the gospel of
reconciliation and
transform the world in
which we live...”

The Most Rev'd and Rt Hon Justin Welby
Archbishop of Canterbury
Patron to Mothers' Union

Contents

Worldwide President Report	3
Chief Executive Report	4
Vision, Mission & Values	5
Faith and Prayer	6
Supporting Family Life	9
Helping Those Facing Adversity	12
Fundraising	16
Future Plans	17
Legacies	18
Governance and Management	19
Finance Review	22
Statement of Trustees' Responsibility	26
Audited Accounts	27
Trustees and Leadership	45



Members of the Village Savings and Loan Association in the Diocese of Shyira, Rwanda (see p13)

Worldwide President

A living, vibrant faith is at the heart of every Mothers' Union member, enfolded in a life of prayer. I have been privileged in my time as Worldwide President to witness this wherever in the world our members decide to take action. I believe members truly are a powerhouse of prayer as they put their 'Faith into Action'.

2018 is my sixth and final year as Worldwide President. I would like to say how deeply humbled I have been to serve God and his church in this privileged role. I value and appreciate the enormous breadth and depth of work every member undertakes.

During the course of 2017 I spent a short time with many fellow members across the United Kingdom and Ireland, as well as the United States of America, Australia and Tasmania. In each visit I observed the loving kindness and generosity so common of our members. I have seen and heard about real grass-roots initiatives to support their communities, improve quality of life and provide for better family environments.

Rather humbling was a prison visit where I received a handmade 'thank you' card from inmates telling me about the 'wonderful love and unfailing care' they had been shown by Mothers' Union members who visit regularly.

The worldwide leadership met in Ireland and launched a series of conversations with our grassroots members around the world (Mothers' Union Listens, Observes, Acts – MULOA). These will help strengthen the connections of the family globally, and ensure our priorities for the future are driven by the needs of our members and their communities worldwide.

Work on a new centralised GDPR compliant data management system began in Britain and Ireland. I am particularly excited by its connection to a new website, which will allow members from around the world to interact, submit material and access new resources at the touch of a button.

Work continues to modernise our Worldwide Constitution. This is being discussed and debated by the Board and wider membership. By mid-2018, we will have a Constitution which will be truly representative of our worldwide family.

Wherever members are in the world, I pray and encourage you *keep on believing, you can make a difference, just as members who have gone before you have done. God enables those he calls into his service. Thank you for being the hand of Christ in the big and the small initiatives.*



Lynne Tembey

Chief Executive

Across the world in 2017, our 4 million members touched the lives of over 750,000 people through listening and responding to need through acts great and small. All this they do as part of their personal commitment to showing their faith in action, acting as volunteers in their own communities.

Funds generated centrally, through the generosity of members and friends in Britain and Ireland and funding partners, provide in addition the “yeast” of training, support and guidance for larger-scale projects. These enable and empower whole communities to find solutions to their own challenges, freeing them from a culture of dependency, and helping them, as some have said, “to soar like eagles out of poverty”. An example given in this report is of the Village Savings and Loans Programme in Rwanda, which not only enabled some 20,000 people to improve the lives of their families, but also generated resources which they chose to put back into their communities, for health insurance and emergency care for the vulnerable.



Centrally generated funds also provide help at times of acute need, such as for the South Sudan refugees in Northern Uganda Bidi Bidi camp. Mothers' Union works in partnership with other agencies for maximum effect, and in addition to emergency supplies, provides through members, many of whom are themselves refugees, support with post-trauma counselling and skills training to rebuild their lives...” restoring confidence, a sense of self-worth, hope for the future and happiness”.

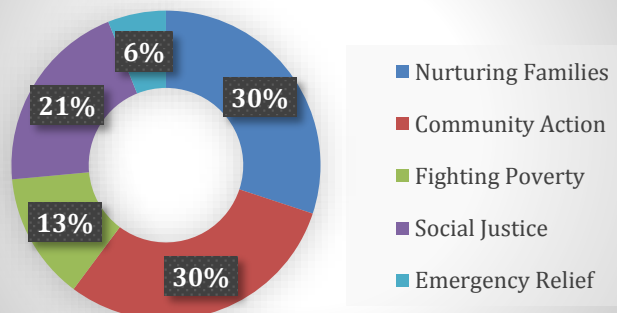
Since programmes such as these are delivered through members as volunteers in their own communities, as well as being able to reach those most in need, they are also highly cost-effective.

The reconciliation ministry demonstrated in Bidi Bidi is a common thread in the ministry of members globally, for example in Britain and Ireland, providing holidays for families to rebuild relationships, or in Guyana, where the Parenting Programme is helping to reduce domestic violence as parents learn other ways to resolve differences. Sadly, members witness, and are often victims of, conflict at family, community or national levels on a daily basis, which is why, in their conference in September 2017, members from Britain and Ireland issued a call “ for women’s voices to be heard, and their needs represented, in all areas of peacebuilding and reconciliation”.

It is humbling to be serving such a dedicated, member-led organisation, and I am confident that, through the ongoing MULOA conversations and the approved strategic investments, we will be able to continue to support the membership as they continue their work of making a difference, one life at a time.



In 2017, Mothers' Union members touched the lives of over 750,000 people worldwide:





Vision

Our vision is of a world where God's love is shown through loving, respectful and flourishing relationships.

This is not a vague hope, but a goal we actively pursue by praying, advocating and taking action.

Mission

We aim to show our Christian faith by helping the transformation of communities worldwide. We do this through supporting strong relationships within the family and promoting reconciliation at all levels.

Values

There are more than four million members of Mothers' Union today in 84 countries around the world. Each member subscribes to the same values;

We are firmly rooted in a voluntary ethos centred on mutual respect and collaboration.

Our governance, leadership, and programmes are driven by and undertaken through members within their own communities worldwide.

We are inclusive and work with people of all faiths and none.

Vision 20:20

It is our ambition that by 2021 we:

- Can evidence having a positive impact on over 1 million lives each year worldwide
- Are a global grassroots Christian movement with Faith at its core
- Have a global membership of some 6 million
- Are a confident and trusted partner of others, for the benefit of members and their communities
- Are a successful and respected advocate on chosen issues globally, nationally and locally within family and community life – with a particular focus on gender-based violence
- Have a streamlined governance and organisational structure of volunteers and staff
- Give highly cost-effective support to members in helping transform their communities worldwide

Faith and Prayer

As a truly global organisation, with Faith at its core, we aim to provide a rich range of resources for members and friends throughout the year, as well as continuing our 'Wave of Prayer' in which members around the world pray for one another. In 2017 we were able to provide topical and seasonal faith materials for members, clergy and the wider Church. Highlights in 2017 include Mothering Sunday and participating in 'Thy Kingdom Come'.

Mothering Sunday

As a movement with 'mothering', in its wider sense, at its heart we aim to be a leading provider of appropriate and enriching resources for Mothering Sunday. Each year we provide a comprehensive resource pack that people can pick from according to their various needs – activities for children, full liturgy and service sheets, reflections and prayers are all readily available to download online.

In the weeks running up to Mothering Sunday one of our major fundraising campaigns of the year launches - **Make A Mother's Day**. In 2017 we asked supporters to choose from a range of ethical gifts which put mothers across the globe at the heart of everything: change, sustainability and nurture. Each of the six gifts helped mothers move from life on the margins to being at the heart of their families and communities. Whether through enabling a mother to learn to read, become a better parent or find the strength to change negative 'norms' around them for the better. In 2017 the appeal raised **£140,507**.

Violet in Zambia

With a husband and two children to care for, Violet lived a hand-to-mouth existence in Zambia. Unable to find work, the family survived on what little maize would grow in the dusty land. In years of poor harvest, they simply starved. It's hard to imagine the daily heartbreak of struggling to raise a family while never knowing where their next meal might come from.



Violet was determined to make a change and joined one of our Church Community Mobilisation programmes. She learnt so much, such as how to plant pumpkins for her family to eat, and how to dry the leaves to sell. With this income she started a small baking business, earning enough to send her children to school. No longer fearing hunger and with her children realising their potential, Violet feels confident and proud about her family's future.



Thy Kingdom Come

This global prayer initiative was launched in 2016 by the Archbishops of Canterbury and York as a call to Christians everywhere to pray for friends, family and the wider world to come to know Jesus Christ. Mothers' Union has been pioneering the reach of this initiative across its membership in all corners of the world; encouraged its worldwide family to join together in a 'Global Moment'. We held a special event, the first of its kind, from Hull (City of Culture UK for 2017) and streamed it live on our website; we were joined by thousands of members and friends in places like the West Indies, South Korea, Australia and South Africa. Mothers' Union plans to build on the success of this year's service with another event from Coventry Cathedral in 2018 and this time invite our members, the entire Anglican community, friends and family to join us.





Lyndia, Branch Leader in Crash Water, Guyana holding her youngest child

Supporting Family Life

Parenting Programme

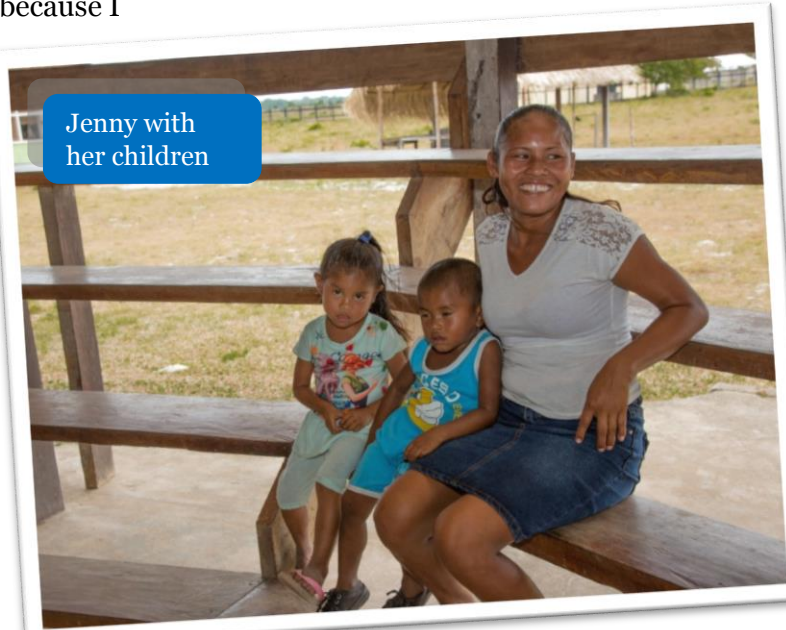
Many parents in Guyana face challenges due to poverty, lack of educational opportunities and work. These challenges can lead to parents taking their frustrations out on their children. It's commonplace for children to be disciplined physically. Mothers' Union is offering parents an alternative through parenting classes and workshops run in communities throughout the country.

Jenny from Rupertee village in the Rupinuni region, Guyana, took part in the parenting programme for one year. Jenny, 27, is mum to Dwayne (6), Lashana (3) and Jared (2) says, "I found the programme hard at first. But I learned so much about how to care for my family. I decided to do it because I wanted to learn how to care for them. My sister is doing it too. Even though I have finished I want to continue doing it because I

want to learn even more. When I had Dwayne I didn't know what to do. But now I do and I feel more confident. The most important thing I've learned is how to care for them, play with them and to teach and nurture them in a right way," she explains.

Lena Edmondson is Mothers' Union's Parenting Trainer for the West Indies and the Americas. "It's strengthening family life. Not only that but fathers are getting more involved in the raising of their children ... Fathers are spending more time with their sons.

Jenny with
her children



And in Britain and Ireland, giving a break to families in need...

'Away From It All' (AFIA)

Members have continued to reach out to families in difficult circumstances, and unable to afford time away together, through offering AFIA holidays. This has included week-long holidays, day trips and coach trips, according to what will be best suited to each individual family. These family holidays, where a team of volunteers are present to offer support, catered to the needs of **4,076 parents and children.**

"For us, it was an escape from everything, and it has shown the children that we can have happy times again, and it has made such a difference to how they are feeling. Thank you so much for everything."

A family on an AFIA
holiday in Salisbury



Speaking out Against Gender-Based Violence around the World

Internationally we continue to uncover the extent to which families are seriously affected by abuse such as **domestic violence** and **Gender-Based Violence** in all its forms.

As a direct response, we run campaigns that raise awareness of Gender-Based Violence (GBV) and send a delegation to the **United Nations Commission on the Status of Women** (UNCSW) in New York each year. In 2017 the theme was 'Economic Empowerment of Women', which aligned well with the breadth of experience Mothers' Union has across its programmes such as literacy and financial education as well as savings and credit work.

Mothers' Union engages each year with the global **16 Days of Activism Against Gender-Based Violence**, which runs from 25th November (the International Day for the Elimination of Violence Against Women) and 10th December (International Human Rights Day). Throughout the campaign, members join together with one voice, to raise awareness of and call for an end to gender-based. This year our theme around the world was **"Break the silence. Lift the shame. Shift the blame."**

For example:

Mothers' Union in **Jamaica** took to the streets with placards, loud speakers and banners and handed out leaflets. The march was followed by an open-air service aimed at bringing the campaign theme to the wider community and church, collaborating with other denominations. Prayer meetings and talks were also held and members visited schools giving talks at assemblies. Their aim was to educate as many members of the community as possible against Gender-Based Violence (GBV).

The practical delivery of our Gender-Based Violence campaign proved very successful in the UK as well, in Scotland members engaged prisoners and school children in a powerful exhibition highlighting the real impact of violence on families:



Judith Spencer-Jarrett
Diocesan President of
Jamaica and the Cayman
Islands speaking at 16 Days
of Activism Against GBV

Souls of our Shoes exhibition

Mothers' Union Scotland have been exhibiting over 100 pairs of shoes which each tell the story of someone who has managed to walk away from abuse. "Its primary purpose is to raise awareness of domestic violence," says Hilary Moran, "We do this a number of ways through talks, workshops, conferences and the shoe exhibition." Hilary represents Mothers' Union at the Scottish Interfaith Group on Domestic Abuse, the originators of the exhibition. "Our recent ventures have been into secondary school and I have taken it into prison workshops," she continues.

Students at a secondary school in
Scotland taking part in a workshop



"This is a very difficult subject to discuss and I felt that you dealt with the prison environment very well and the feedback from staff and prisoners is that it made them think. An awareness is all we can offer and if it makes people stop and think about their actions or how they are being treated by others this can only be a good thing." – Senior Officer

Used for school visits, teachers accompany pupils who commented on a "talking wall". Staff remain vigilant, ready to engage with pupils who might be adversely affected by the exhibition.

"My dad was domestically abused by my step mother. It broke his spirit and I would never want anyone to ever go through it. – Student



An orphan feeding programme
in Northern Malawi

Helping Those Facing Adversity

Refugees are fleeing conflict zones throughout the world. All they want is peace at home. Women, in particular are most affected. This is why we are committed to supporting and engaging wherever we can around the world with the inclusion of Women at the forefront of Peace and Reconciliation.

Mothers' Union is working closely with the Archbishop of Canterbury's Peace and Reconciliation team and in September the Archbishop's Special Advisor on Reconciliation, Canon Sarah Snyder (also a member of Mothers' Union), presented as keynote speaker at the General Meeting in Edinburgh where over 1,400 members unanimously made the following pledge:

“We, a global movement of four million members, many of whom have experienced directly the impact of conflict, and are actively involved in peacebuilding, call for women’s voices to be heard, and their needs represented, in all areas of peacebuilding and conflict resolution.”

Mothers' Union's Chief Executive, Bev Jullien, said in a press statement, “Much of what we do in communities is the work of reconciliation, but we don't put a name on it. We just get on and do it. We are out on the front line.”

Bidi Bidi Refugee Camp

Bidi Bidi is a village on the border of South Sudan and northern Uganda and is now the world's largest refugee settlement – home to almost 300,000 South Sudanese refugees fleeing conflict and famine back home. The entire region of North West Uganda has received more than one million ‘displaced people’. December 2017 marked four years since the conflict in South Sudan began, displacing 1.8 million people to neighbouring countries.



South Sudanese members at the Bidi Bidi Refugee Camp

Of the total population in the region, 86% are women and children whose journeys have been long and fraught with danger. Everyone has lost family and friends to war or during their trek to the camps.

The overwhelming need has been for post-trauma counselling and healing. Churches established by the refugees themselves have been supported with materials by Mothers' Union.

Mothers' Union also provided a grant to provide relief, and to organise and equip peace and community-building activities. More than 29,500 people have today been supported through these efforts, and our organisation was grateful to receive public recognition and support from the Archbishops of Canterbury and York to further meet the needs of these refugees.

“Madi and West Nile Diocese and Mothers’ Union have worked as a team to provide not only material necessities, to the extent of their resources, but also the hugely important opportunities for distressed people to improve their own lives and that of their families, restoring confidence, a sense of self-worth, hope for the future and happiness” – Local Diocesan Programme Member



Refugee children at school

Sadly, conflict continues to force people to flee their countries, with some 70 million displaced people worldwide. In Britain and Ireland, members help in a range of ways and in 2017, refugees in Birmingham were helped with English language skills; members in St Albans, on hearing that women had nothing but plastic bags to keep their belongings in, donated suitcases. At the Cedars Centre at Gatwick Airport, the first immigration detention centre in the UK for families, members provide clothes throughout the year and at Christmas donate toys for the children.

Hat-tê-bāh

In 2017 Mothers' Union partnered with The Children's Society, Church of England and Home for Good to run training programmes in communities across the UK for professionals to support refugee families and children in adapting to their new community lives. To date two Hat-tê-bāh training sessions have been run in Liverpool and Lichfield Dioceses for over 100 professionals.



© Laura McCluskey for
The Children's Society

'Helping those facing adversity' in many parts of the world for Mothers' Union means enabling individuals and their communities to develop their own means of escape from poverty; building with it confidence, improved relationships and the ability to help others.

Village Savings and Loans

Mothers' Union in Rwanda set up a savings and credit project across the entire country, training more than **20,252** disadvantaged people in the communities. They formed **889** community managed Village Savings and Loan Associations (VSLA's) where members save together and offer one another small loans to start micro businesses. The project incorporated business skills training and faith-based Participatory Rural Appraisal (PRA) tools into the savings group which helped address their own ideas about fatalism, poverty and donor dependency.

"There is overwhelming evidence that the project has met and exceeded its objectives." - Anne Figge, independent programme evaluator

As well as reaching as many disadvantaged individuals as possible the project was also designed to create and empower its members as entrepreneurs through business creation, leading to increased income and increased well-being of their families.

- **88%** of members reported starting a new business or income generation activity as a result of being a member of the savings group
- **94%** of female members reported an improvement in their family relationships over the last year as they gained increased access to and control over financial resources.
- **72%** of members reported an increase in household income as a result of their activities
- **77%** of members reported a change in their ability to provide sufficient food throughout the last year

**Exceeding
ALL
Objectives!**

Finally, a major objective of this project was to create 'agents of change' from savings group members, leading to a cultural shift away from donor dependency and towards self-reliance in members' families and communities.

65% of the groups used their funds to help vulnerable people outside of the group – evidencing that members and their groups are taking responsibility for helping the vulnerable in their communities rather than expecting an external donor to do so.



Members benefiting from a VSLA group in Rwanda

“I know that if the group is ‘rich’, the church is also ‘rich’ because the group gives generously without being pushed. Before, whenever someone had a need, the church heard about it first and then would ask the parish for help. Now, these ladies are the first to react and to provide for the needs of the vulnerable in the community.” – A Pastor in Kibuye, Kivu

Ansira is a mum of five. She was able to get a loan. One of her children loves animals so they built a house for five new rabbits. They soon had 20 rabbits. Ansira also

bought two hens that multiplied to 10 chickens and a rooster.

They sold six chickens to repay the initial loan, then borrowed more money to buy a hoe and seeds for a small agricultural project. This is something she said only men used to do in the past but as a woman she is now free to also be a provider to the family.



A VSLA member contributing to the group

“This group has done really important things in my life. I’m now free and open to share and I am confident.” – Ansira



Gail Crutchfield took part in RideLondon for her 70th birthday and to raise money for Mothers' Union

Fundraising

The Fundraising sector within the UK continued to change in response to the Etherington Review in 2015, which Mothers' Union welcomed. Following the introduction of the Fundraising Regulator and the launch of the 'Fundraising Preference Service' (FPS), we signed up as members and look forward to the new regulations being brought in next year to govern how charities communicate with their supporters. Any positive influence on the sector and its reputational safeguarding would be supported by Mothers' Union.

Mothers' Union is a responsible, effective and cost-aware Charity and we take our responsibilities to our members and supporters seriously. Mothers' Union is an organisational member of the Institute of Fundraising, the Fundraising Regulator and during the course of 2017 received a total of 0 fundraising related complaints and 1 suppression request from the FPS, which was processed within 24 hours of notification.

Mothers' Union has not used door-to-door, private site or telephone fundraising practices, and no professional fundraising services have been employed.

Individual Giving for Mothers' Union is highly reliant on the loyal support of its membership; from donations to local fundraising events. Other events included the London Marathon, Surrey 100 Bike Ride and other regional cycles, walks and runs. We launched our catalogue of international treks to become a growing part of our fundraising calendar.

Our members, around the world, are incredibly supportive of the central organisation and the participation of local members in 2017 has made so much work changing lives possible, we are immensely grateful to them.



TOP LEFT: Alice Leadbeter supported by members and relatives before the London Marathon;
TOP RIGHT AND BOTTOM LEFT: Launch of Summer of Hope appeal at Southwark Cathedral;
BOTTOM MIDDLE: Sisters Laura and Ellie Wilson finish RideLondon on Laura's birthday!
BOTTOM RIGHT: Susan Warner with fellow members walk 5km in Malta for Mothers' Union

Future Plans

Through the global conversations of MULO (Mothers' Union Listens Observes Acts) Mothers' Union is starting to develop a ten year vision for transformation of the movement towards our 150th Anniversary, going back to the fundamentals which inspired its birth in 1876.

This will be the key priority in 2018, and in addition we will:

- Ensure that all actions continue to be inspired by faith; providing relevant materials to support this and engage our membership in wider faith initiatives, such as with “Thy Kingdom Come” during the nine days between Ascension and Pentecost.
- Continue our approach of transformational development programmes including Church and Community Mobilisation processes, Parenting, Relationship Support, Transformational Savings & Credit and Literacy & Financial Education Programmes.
- Continue to improve our monitoring, evaluation and reporting to evidence that we have touched at least 850,000 lives worldwide.
- Continue to build on our strength in campaigning and advocacy to leverage the power of 4 million voices, to help members to make a difference locally, nationally and globally - with a particular focus on gender-based violence, and the associated role of women in peace and reconciliation.
- In consultation with members, finalise the update to our Constitution, and ensure that it is delivered as an effective, efficient and flexible framework fit for our future needs.
- Continue to develop partnerships to enable resources to reach further - in particular, with organisations within, and related to, the Anglican Communion.
- Continue to diversify income streams, with particular focus on partnering specific programmes for which there is a clear defined need and proven approach, and following through on the commitment of all Provinces outside Britain and Ireland to contribute financially to the coordination of the movement centrally.
- Deliver an enhanced communication platform through our newly launched website, modernising levels of support to current and prospective members.

Worldwide Leadership at the launch of MULO in Ireland





Legacies

Mothers' Union has been proactively promoting Legacy giving for two years.

Legacies have typically ranged from £200 to £100,000.

Everything makes a difference!

A gift in a will helps ensure that the organisation will be able to continue supporting our future plans and the next generation of people in need.

In 2017 we became members of the National Free Will Network. As such Mothers' Union is able to offer for your will to be written by a solicitor for **FREE!**

There is no obligation to leave a legacy with us, however, we hope that we are considered when thinking about leaving a gift to charity.

Report of the Trustees

Governance and Management

Mothers' Union is governed by a Royal Charter originally dated 15 June 1926 and subsequently amended by Supplemental Charters, most recently in April 2018.

The financial statements have been prepared in accordance with the accounting policies set out on pages 33 to 34 and comply with the Charity's Royal Charter, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2015 (FRS 102).

The Board works on Triennial Cycles, and the current Triennium began in 2016. All Trustees and the Worldwide President are elected from within the membership to their position for an initial term of three years and may stand for re-election for a second term. There is also a Worldwide Council, which comprises 600, including the past Worldwide Presidents and Central Presidents and 6 representative members, as well as the Provincial and Diocesan Presidents from across the world.

The Board comprises the Worldwide President, 4 Unit Co-ordinators and 6 General Trustees, all elected by the Worldwide Council; the 5 Provincial Presidents from Britain and Ireland who hold the position by virtue of their elected role in their Province, and a Provincial Representative Trustee, elected by the Provincial Presidents outside Britain and Ireland. The full Trustee Board meets residually twice a year to agree broad strategy and areas of activity for the Charity, including investment, reserves and risk management.

There are four Advisory Unit Committees assisting the trustees. These are for Action & Outreach, Faith & Policy, Finance & Central Services and Fundraising & Communications. The members of these Committees were elected by a simple majority of the Worldwide Council and are regulated by their terms of reference.

Decisions on grant making are undertaken by the Action & Outreach Unit Committee following guidelines set by the Trustees. Each application is assessed by the Committee following scrutiny and recommendations made by the Regional Development Manager and Senior Management.

The Audit & Risk Committee, comprising at least three Trustees, including the Unit Coordinator for Finance & Central Services, with the Chief Executive and the Head of Finance in attendance, meets quarterly and supports the Board to fulfil its duties relating to financial reporting, internal controls, the audit process, management of risk, and compliance with the legal requirements that govern the Charity.

In addition, there are two further Board Committees: the Britain and Ireland Group which is concerned with matters pertaining to activities of Mothers' Union in Britain and Ireland, and the Zonal Trustees Group, which comprises the General Trustees who cover membership internationally, who are charged with strengthening relationships between the Board and the Provinces worldwide. All Trustees receive all Board papers to ensure full and transparent communication and involvement.

In this Triennium, the Board have created a subgroup to work specifically on constitutional change under the chairmanship of the Worldwide President. Reference groups of members have also been introduced to work with management on specific issues, for example membership development and the modernisation of the database and website.

All Trustees received an induction programme including external speakers at the start of this Triennium, covering their roles and responsibilities. A skills audit was conducted, to ensure the range of skills was fully understood. Update training sessions are delivered as necessary throughout the Triennium. Recent training has focussed around the requirements of the forthcoming GDPR.

The day to day work of Mothers' Union is delegated to the Chief Executive and staff of approximately 40.

The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017

Report of the Trustees (continued)

Future Governance Developments

In April 2018 the Royal Charter governing the charity was formally amended to further streamline the governance and administration of the charity. Elections to the board for the next triennium will be conducted in 2018 under the provisions of the amended Royal Charter. This is expected to result in the appointment of a smaller board for 2019 that is more representative of the worldwide movement, which will then additionally be supplemented by appointed trustees offering required skillsets not present within the elected contingent.

Organisational Structure

MU has a wholly owned trading company, MU Enterprises Limited (MUe). MUe exists to handle the non- primary purpose trading operations of the group. It is governed by a board of 11 directors that includes the CEO of the Charity and 2 representatives from the main charity board.

STAFFING AND REMUNERATION

The Trustees consider that the Board of Trustees and the Senior Management Team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis.

All Trustees give of their time freely and received no remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 8 and 9 to the accounts.

The Trustees and Senior Management Team declare any conflict(s) of interest by signing the conflict of interest declaration register.

The pay of the Senior Management Team and other staff is reviewed regularly by the Audit & Risk Committee and normally increased on an annual basis to reflect a cost of living adjustment. A Remuneration Committee exists to benchmark pay scales against pay levels in other similar charities within London and to make recommendations concerning the pay of the CEO and other senior staff. The remuneration benchmark is the mid-point of the range paid for similar roles in similar charities.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

RISK MANAGEMENT

The Trustees have a risk management strategy which identifies the major risks to which the charity is exposed and the possible impact of these risks. Established systems are in place through the regular review of the risk register and quarterly management reports to review both the risks facing the charity and the effectiveness of the controls.

All significant deviation from the activities planned and budgeted is subject to approval from the Audit and Risk Committee.

Other measures that are in place and regularly reviewed and updated include environmental risk management, health and safety procedures and staff policies.

The table below shows the principal residual areas of risk faced by the Charity and the measures that have been put in place to manage these risks.

The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017

Report of the Trustees (continued)

Category of Risk and Description	Steps taken to mitigate residual risk
<p>Compliance Risk</p> <p>Risk of compliance breach arising from failure of training, policies, procedures or oversight. Key risk areas include safeguarding and the GDPR.</p>	<ul style="list-style-type: none"> • A suite of policies and procedures is in place to help address risks arising from MU staff and members. • Dioceses are required to confirm that they adhere to the legislative and other standards recommended by regulatory authorities • The Board has recently committed to a full safeguarding review taking place in 2018 using the audit services of a third party • A full data protection audit has taken place in late 2017 and early 2018 using the services of a third party
<p>Sustainability of Income</p> <p>The charity is predominantly funded by subscriptions, donations and other contributions from the UK membership which is ageing and in decline.</p>	<ul style="list-style-type: none"> • Active Fundraising Strategy to develop income outside traditional membership sources • Working with affiliate dioceses worldwide to increase contributions towards the needs of the central Charity • Membership Communication Project development is underway to improve administration of membership across the Charity and its affiliates. Intended to encourage member retention and facilitate growth. • MULOA project underway worldwide – intended to redefine and re-energise the movement • Reviews instigated into all trading activities to identify growth opportunities • Options for maximising income generated by Mary Sumner House currently under active consideration
<p>Competition</p> <p>Many charities are competing for the same sources of income</p>	<ul style="list-style-type: none"> • The Fundraising Strategy identifies ways to support our membership, who are our primary supporters, as well as developing approaches to reach under-tapped audiences who are supportive of our core programmes and activities • Where appropriate, we will partner rather than compete with others to ensure best use of our collective resources
<p>Cash flow Risk</p> <p>Ongoing activities and number of new strategic projects are placing increased pressure on cashflow</p>	<ul style="list-style-type: none"> • Detailed consideration of cashflow requirements when setting annual budgets including identification of anticipated pinch points • Creation of a cashflow strategy to address anticipated cashflow pinch points ahead of time • Regular review of cashflow as part of monthly management reporting
<p>Investment Risk</p> <p>Risk of significant declines in investment values/ income</p>	<ul style="list-style-type: none"> • Ongoing monitoring of the investment market and portfolio performance. • Selling investments to cater for short-term cash flow needs only when the investment values are favourable and when there are no realistic alternatives • Stated intention to move towards budgeting for surpluses of sufficient size to readily absorb foreseeable fluctuations in investment income
<p>Disaster Risk</p> <p>Fire/flooding/terrorist attack risk</p>	<ul style="list-style-type: none"> • Insurance cover and the disaster recovery plan helps to manage these risks • Foreseeable building maintenance needs are being built into the future redevelopment plans for the building as they take shape

Report of the Trustees (continued)

Finance Review

Financial Performance

At face value the financial picture presented by these accounts is disappointing. The overall deficit shown for the year £(697,962) (2016: £20,047 Surplus) is substantial and the Trustees acknowledge this to be unsustainable.

It is important to note that these 2017 figures are partly reflective of discretionary strategic spending decisions on the part of the board. Increased spending on Governance, to update the constitution, is one prominent example. The instigation of the MULO project is another.

The figures for the year are also significantly impacted by an increase of £333,000 in the defined benefit pension scheme liability. In addition, following the appointment of a new Head of Finance in Summer 2017, an update to our financial processes and a comprehensive review of aged debtors and stock holdings have resulted in provision and write off of a number of balances originating in prior periods.

With these factors stripped out, underlying operational performance in 2017, whilst still slightly disappointing, was significantly more palatable than it would appear at first glance.

Total income in 2017 was £3,264,040 (2016 - £3,525,687). Out of this, £2,592,605 (77%) was received for general purposes and £734,435 (23%) was received into Restricted Funds. The make-up of this income was broadly comparable with prior periods.

Membership subscriptions and donations generated from the membership of £1,499,981 (2016 £1,575,210) continued to be the primary source of income for the group.

The Trustees remain encouraged by the continuing and dependable generosity shown by the members and supporters of Mothers' Union and note the uniqueness of their involvement in the work of the Charity, which goes beyond generating funds for the Charity.

During 2017, the Charity received £68,763 (2016 -£54,895) from the overseas movement. This is a strategically important area for the future sustainability of the charity. The Trustees acknowledge that many of its members struggle to meet basic living needs in their day to day lives, so such contributions from overseas are particularly gratefully received. The Trustees would also note that the overseas movement made significant contributions in kind during 2017, examples of this include funding travel to the special Worldwide Council meeting in Ireland in March and also meeting significant local costs in pursuing MULO. The Trustees would also stress that gifts in prayer and non-financial resources from the overseas movement are just as valuable to the global work as their direct financial contributions.

A significant part of the Charity's consolidated income continued to be generated by the trading company, MU Enterprises Limited, whose total sales were £1,112,942 (2016: £1,083,141). This was well short of budgeted expectations. Disappointing trading from the shop and the publications business impacted negatively on income during the year.

Other key sources of income during the period were grants £41,364 (2016 £101,566) and Investments £187,262 (2016 £174,891).

The Trustees acknowledge the importance of diversifying income streams to help cope with anticipated future demographic challenges within the B&I membership. A number of strategic projects are underway to help address these risks. It is hoped these projects will begin to make a meaningful difference towards the back end of the decade.

Total consolidated expenditure for the group was £3,962,002 (2016 £3,505,640).

The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017

Report of the Trustees (continued)

As in prior years, spending on charitable activities continued to be the dominant source of expenditure £2,793,706 (2016 £2,392,224). Spending on grants continued to be a primary driver of this with grants awarded in the period totalling £538,103 (2016 £564,598). This is again reflective of the strategic priorities of the board and demonstrates clearly our commitment to helping fund lasting change in communities when the time is right for them.

Excluding DBS pension liability movement, total staffing costs for the year were £1,557,204 (2016 £1,659,244), reducing due to the reported fall reflecting a decline in the overall headcount and continued tight control over salaries. Post year end the DBS pension scheme has been closed to future accruals.

The reported expenditure of the trading company £1,055,254 (2016 £1,005,759) was impacted by the need to provide against stock (to the total of £28k) and historic debts (to the total of £47K). Expenditure on underlying operations was otherwise comparable with prior years.

Spending on Governance £140,051 (2016 £127,101) increased this year primarily due to the decision to amend the constitution.

Overall a consolidated deficit of £(338,805) (2016 £221,245 surplus) has been recognised on the general fund and a consolidated deficit of £(147,764) (2016 £71,390) recognised on restricted funds.

In light of the disappointing performance of MUE, a number of key strategic decisions have been taken during the period. In December 2017 the Mary Sumner Gift Shop was permanently closed and the premises returned to the Charity for alternative usage. This resulted in one redundancy in 2018 with the associated costs being recognised in full within this period. A review concerning the future viability of publication based activities is also now underway and has already resulted in the decision that MUE will cease to produce *Families First* from 2019 or 2020. The charity is currently developing a publication to replace *Families First* which is dedicated to keeping the membership informed of activities of the movement.

Financial Position

Despite the significant deficit realised in the period, the financial position of the group remains relatively robust.

The group is debt free. Most liabilities included within the accounts are routine in scale and nature. The only two exceptions to this are those relating to the defined benefit pension scheme and those relating to grants awarded but unpaid at the year end.

The DBS liability recognised has increased this year to £549,219 (2016: £288,000) following receipt of an updated actuarial valuation and the implementation of revised deficit reduction payments from 2018 onwards. Full details of this can be found in note 10. Grants awarded but unpaid at the year-end were abnormally high. This resulted both from higher than usual grant awards during the year and from cashflow constraints resulting in delayed payment. All affected grants have been paid in full post year end.

On a consolidated basis total assets exceeded total liabilities at 31 December 2017 by £2,719,316 (2016: £3,205,885).

The decision to provide significantly against stock and debtor values has not weakened the net current assets position reported of £(238,465) (2016 £155,128) due to an increase in cash at bank compared with the prior year end.

Thanks to the provisions put in place during the year against asset values; the relatively disappointing trading results in 2017; and the absence of brought forward reserves owing to the profit transfer covenant; MUE was showing a deficit position at 31 December 2017. Given the nature of its liabilities, including its relationship with its primary creditor, MU, this has no implications for the going concern

The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017

Report of the Trustees (continued)

status of the trading subsidiary. The deficiency of assets has corrected itself post year end following positive trading results in the first quarter of 2018.

Ensuring sufficiency of working capital remains the primary area of concern for the group. Throughout 2017 working capital levels required active management and the periodic sale of investment assets to ensure adequacy of cashflow for both general operations and strategic projects. This picture is expected to remain unchanged in 2018 based on budgeted activity. Thanks to detailed cashflow planning, the availability of investment assets that can be realised at relatively short notice and a good degree of control over the timing of grant expenditure, the Trustees are confident that this risk is well managed in the short term and will be significantly reduced from 2019 onwards.

The balance on the general fund at the year end was £705,288 (2016 £1,044,093). The balance of Restricted Funds was £2,014,028 (2016 £2,161,792).

Capital Expenditure

Total Capital expenditure during the year was £143,515 (2016 £13,687). This was predominantly spent on IT infrastructure related to the Membership Communication Project

Future Financial Plans

In order to complete the strategically vital MULO process the Trustees have adopted a managed deficit budget for 2018 only. From 2019 onwards it is planned that the group will revert to living within the means of its annual income and begin to gradually strengthen its financial position.

Financial Control Environment

The Board approves an annual budget prior to the commencement of each financial year. This budget is subsequently monitored and scrutinised by staff and Trustees as a comparative on the monthly and quarterly management accounts.

All expenditure must be authorised by a budget holder prior to it going forward for payment. Budget and sub budget holders are identified at the time the budget is approved. Single transaction authority limits within total allocated budgets are determined by Job role.

Policies and controls are in place to cover all aspects of financial processing. Detailed controls over funds and cheques are also in place. Multiple signatories are required to instigate any payments.

The adequacy of the control environment is periodically assessed.

Investment Policy

The Trustees have full discretion to invest funds not immediately needed as they see appropriate. Every effort is made to ensure that the funds are invested to maximise returns without placing funds at undue risk or compromising ethical integrity. Therefore, to safeguard the assets of the Charity, the Trustees have adopted a low risk policy and have invested solely in diversified Britain and Ireland based funds, splitting the portfolio of investments more or less equally between the M&G Group Charifund and the various CBF Church of England Funds managed by CCLA.

The Trustees are happy with the performance of the charity's investment portfolio and have reaffirmed that the management of Mothers' Union's investments and the current asset allocation strategy are appropriate.

In order to support the cashflow needs of the Charity in pursuing strategically vital projects £162k of general fund assets were realised during the period. This disposal was in line with the stated policy of only disposing of assets to the extent the total portfolio increased in value during the immediate preceding 12 months. The Trustees note that the market value of the portfolio increased by £211,393 during 2017 in spite of the disposal.

The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017

Report of the Trustees (continued)

The Trustees acknowledge that ongoing disposal of income generating investment assets is unsustainable. They are intending to conduct a full review of the charity's investment policy during 2018. This will include a review of the ethical investment policy.

Reserves

MU's reserves are a mix of unrestricted funds and restricted funds

The Trustees have calculated free reserves (those reserves available for general purposes) at 31 December 2017 as follows:

Total Funds at 31 December	£ 2,719,316
Less total restricted funds	£(2,014,028)
Less unrestricted tangible fixed assets	£ (322,665)
 Free Reserves at 31 December	 £ 382,623

The Trustees have set a target level for free reserves which represents 6 to 9 months of unrestricted expenditure of the Charity. Free reserves are presently £382,623, which is significantly less than the bottom of the range the Trustees believe is appropriate. The Trustees are of the opinion that, in the immediate term, pursuing strategically vital projects that will help underpin the long term sustainability of the charity justifies a breach to the stated reserves policy. They intend to address the shortfall in reserves from 2019 onwards by budgeting for surpluses on the General Fund. These future surpluses will be possible in part due to the projects, like MULO, that are helping generate the current operational deficits.

The reserves policy for Restricted Funds is for sufficient assets to be held to meet the obligations of each fund and this was the case as at 31 December 2017.

The Trustees are intending to conduct a full review of all the charity's reserves policies during 2018.

Statement of Trustees Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and group and of the surplus or deficit for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf by:



Lynne Tembey
Worldwide President and Trustee
23 August, 2018

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MOTHERS' UNION

Opinion

We have audited the financial statements of The Mothers' Union for the year ended 31 December 2017 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated 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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees 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 group's and of the parent charity's affairs as at 31 December 2017 and of the group's net movement in funds 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 26, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity 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.

**The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017**

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MOTHERS' UNION

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 group's or the parent charity'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 Report of the Trustees. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



haysmacintyre
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

23 August, 2018

haysmacintyre is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017

Consolidated Statement of Financial Activities

	Note	Unrestricted	Overseas	Other	Total	Total
		£	Restricted	Restricted	2017	2016
Income from			£	£	£	£
						Note 2
Subscriptions, Donations & Legacies						
Membership subscriptions and donations		963,746	287,896	248,339	1,499,981	1,575,210
Other donations and legacies		370,869	71,372	40,687	482,928	585,075
Grants		5,626	35,738	-	41,364	101,566
		<u>1,340,241</u>	<u>437,020</u>	<u>247,012</u>	<u>2,024,273</u>	<u>2,261,851</u>
Other Trading Activities						
Trading income – MU Enterprises	4	1,112,942	-	-	1,112,942	1,083,141
Sale of Publications		7,994	-	-	7,994	5,804
Investments	5	136,859	30,022	20,381	187,262	174,891
		<u>2,598,036</u>	<u>467,042</u>	<u>267,393</u>	<u>3,332,471</u>	<u>3,525,687</u>
Expenditure on Raising Funds						
Trading expenditure – MU Enterprises	4	983,884	-	-	983,884	903,715
Fundraising		206,473	-	-	206,473	209,701
		<u>1,190,357</u>	<u>-</u>	<u>-</u>	<u>1,190,357</u>	<u>1,113,416</u>
Charitable activities	6	1,859,958	740,270	239,848	2,840,076	2,392,224
		<u>3,050,315</u>	<u>740,270</u>	<u>239,848</u>	<u>4,030,433</u>	<u>3,505,640</u>
Total Expenditure						
		<u>3,050,315</u>	<u>740,270</u>	<u>239,848</u>	<u>4,030,433</u>	<u>3,505,640</u>
Net Income/(Expenditure) before recognised gains and losses		(452,279)	(273,228)	27,545	(697,962)	20,047
Net gains/(losses) on investments		113,474	41,025	56,894	211,393	272,588
		<u>(338,805)</u>	<u>(232,203)</u>	<u>84,439</u>	<u>(486,572)</u>	<u>292,635</u>
Net Income/(Expenditure)						
Total Funds Brought Forward		1,044,093	696,947	1,464,845	3,205,885	2,913,250
		<u>1,044,093</u>	<u>696,947</u>	<u>1,464,845</u>	<u>3,205,885</u>	<u>2,913,250</u>
Total Funds Carried Forward	20	705,288	464,744	1,549,284	2,719,316	3,205,885
		<u><u>705,288</u></u>	<u><u>464,744</u></u>	<u><u>1,549,284</u></u>	<u><u>2,719,316</u></u>	<u><u>3,205,885</u></u>

All the activities in the above financial years were derived from continuing operations. All recognised gains and losses are included in the above statement. The notes on pages 32 to 44 form part of these accounts.

The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017

Consolidated and Charity Balance Sheet

		Group		Charity	
Fixed Assets		2017 £	2016 £	2017 £	2016 £
Tangible assets	13	322,665	231,166	322,665	231,166
Investments:					
Subsidiary undertaking	3	-	-	12	12
Other investments	15	3,082,722	3,033,991	3,082,722	3,033,991
		<u>3,405,387</u>	<u>3,265,157</u>	<u>3,405,399</u>	<u>3,265,169</u>
Current Assets					
Stocks	18	76,274	112,910	2,550	2,550
Debtors	16	286,322	607,974	224,319	542,004
Short term deposits		84,717	4,672	84,717	4,672
Cash at bank and in hand		176,560	66,326	65,945	5,948
		<u>623,873</u>	<u>791,882</u>	<u>377,531</u>	<u>555,174</u>
Current Liabilities					
Creditors: Falling due within one year	17	(862,338)	(636,754)	(605,286)	(387,680)
Overdrawn bank account		-	-	-	(12,378)
		<u>(862,338)</u>	<u>(636,754)</u>	<u>(605,286)</u>	<u>(400,058)</u>
Net Current Assets		<u>(238,465)</u>	<u>155,128</u>	<u>(227,755)</u>	<u>155,116</u>
Total Assets less current liabilities		<u>3,166,922</u>	<u>3,420,285</u>	<u>3,177,644</u>	<u>3,420,285</u>
Long-Term Liabilities – Pension Deficit	17	(447,606)	(214,400)	(447,606)	(214,400)
Net Assets		<u>2,719,316</u>	<u>3,205,885</u>	<u>2,730,038</u>	<u>3,205,885</u>
Fund Balances					
Restricted funds	19	2,014,028	2,162,045	2,014,028	2,162,045
Unrestricted funds		705,288	1,043,840	716,010	1,043,840
		<u>2,719,316</u>	<u>3,205,885</u>	<u>2,730,038</u>	<u>3,205,885</u>

The financial statements and notes on pages 32 to 44 were approved and authorised for issue by the Board of Trustees on 23 August 2018 and signed on its behalf by

Lynne Tembey

Lynne Tembey
Worldwide President and Trustee

The Mothers' Union
Report of the Trustees and Consolidated Annual Accounts
For the year ended 31 December 2017

Consolidated Statement of Cash Flows

		2017 £	2016 £
Net cash provided by/(used in) from operating activities	a	(16,336)	(350,469)
Cash flows from investing activities			
Purchase of tangible fixed assets		(143,315)	(13,687)
Investment income		187,262	174,891
Gift of shares		-	(24,947)
Proceeds from sale of investments		162,662	130,000
Changes in cash in the reporting period	a	206,609	266,257
Management of other liquid resources			
(Increase) in short term deposits		(80,041)	(22)
(Decrease) in cash in the year		110,232	(84,234)
Cash at 1 January		66,326	150,560
Cash at 31 December		176,558	66,326

a) Reconciliation of changes in resources to net outflow from operating activities

	2017 £	2016 £
Net Income / (expenditure)	(486,572)	292,635
Depreciation	51,813	34,419
Gain on investments	(211,393)	(272,588)
Income from investments	(187,262)	(174,891)
Decrease/(Increase) in Stocks	36,636	11,832
(Increase)/Decrease in Debtors	321,652	(37,257)
(Decrease) in Creditors	458,790	(204,619)
	(16,336)	(350,469)

The notes on pages 32 to 44 form part of these accounts.

Notes to the Financial Statements (continued)

1. Accounting Policies

a) Basis of Preparation

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

Mothers' Union meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Subscriptions

Diocesan subscriptions to the General Fund are dealt with on an accruals basis. Receipts from dioceses for subscriptions for *Families First* magazine for the following year have been treated as deferred income in the accounts of the trading subsidiary. All other subscriptions are dealt with within the accounts of the period in which they are received.

Income Recognition

All income is recognised once the Charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

Donation and Legacies

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Grants Received

Grants are recognised in full in the statement of financial activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Income from Investments and Short-Term Deposits

Income from investments and short-term deposits includes taxation recoverable in respect of that income.

Pension Costs

Mothers' Union participates in the Pension Builder (Defined Contribution) and Defined Benefit Scheme (closed to new entrants), both of which are part of the Church Workers Pension Fund. As the Charity is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis, it takes a multi-employer exemption under FRS 17 "Retirement benefits", and so accounts for the scheme as if it were a defined contribution scheme. Pension costs are accounted for on the basis of contributions payable for the year.

Grants Payable

Grants are normally charged in the period in which they are paid. In the case of the annual grants from the General Fund made to dioceses in Britain and Ireland for general purposes, these are charged in the year for which they are approved.

Investments

Investments are stated in the balance sheet at their gross market value as at the balance sheet date without provision for potential costs relating to the disposal of these. All movements in value arising from investment changes or revaluation are shown in the Consolidated Statement of Financial Activities.

Notes to the Financial Statements (continued)

Fund Accounting

Mothers' Union has various types of funds which require separate disclosure. These are as follows:

Restricted Funds:

These funds receive income, which are earmarked by the donor for specific purposes, where these purposes are within the overall aims of the organisation. These funds may be income only (where the capital must be retained) or income and capital (where the income derived therein may be fully utilised). There are currently 8 such restricted funds managed by the Charity.

Unrestricted Funds:

Income received into this fund is expendable at the discretion of the Trustees in the furtherance of the objectives of the Charity. In addition to such expenditure, funds may be held in reserve to finance capital investment and working capital.

Property

In accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities, the freehold property in Westminster, the only property used by the Charity on a continuing basis, is stated at cost in the balance sheet.

Tangible fixed assets

For the property, no depreciation is charged on the original building on the basis that the estimated remaining useful life of the property exceeds 50 years and the property has a high residual value, particularly due to the high value of land in Westminster. This is subject to an annual impairment review. Improvement to property and other tangible fixed assets are depreciated over their expected useful lives on the straight line basis as follows:

Property improvement – 4% after the first year

Office equipment and furniture – 20%

Computer equipment – 20%

Membership database and Website – 10%

Depreciation is not charged until the asset has been brought into use.

Assets with a value in excess of £500 or with a useful life over 5 years have been capitalised. Assets that have no further useful life or those that have been scrapped have been written off at cost less accumulated depreciation.

Stocks

Stocks are stated at the lower of cost and net realisable value. Specific provision is made for obsolete and slow moving stock on an item by item basis. Stock of publications for resale held by the Charity has been shown at cost.

Short-Term Deposits

Bank deposits, which are not repayable on demand without penalty, are treated as short-term investments.

Expenditure

Expenditure is accounted for on an accruals basis and include attributable VAT, which cannot be recovered. Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the direct costs of each activity. Governance costs include the cost of governance arrangements which relate to the general running of the Charity, including strategic planning for its future developments, external audit, any legal advice for the Trustees, and all costs of complying with constitutional and statutory requirements, such as the costs of the Trustee meetings and of preparing the statutory accounts and satisfying public accountability.

2. Comparative Statement of Financial Activities – for the year ended 31 December 2016

	Unrestricted £	Overseas Restricted £	Other Restricted £	Total 2016 £
Income from				
Subscriptions, Donations & Legacies				
Membership subscriptions and donations	937,870	469,443	167,897	1,575,210
Other donations and legacies	475,564	95,797	13,714	585,075
Grants	4,300	97,266	-	101,566
	<hr/> 1,417,734	<hr/> 662,506	<hr/> 181,611	<hr/> 2,261,851
Other Trading Activities				
Trading income – MU Enterprises	1,083,141	-	-	1,083,141
Sale of Publications	5,804	-	-	5,804
Investments	<hr/> 125,411	<hr/> 27,402	<hr/> 22,078	<hr/> 174,891
Total income	<hr/> 2,632,090	<hr/> 689,908	<hr/> 203,689	<hr/> 3,525,687
Expenditure on				
Raising Funds				
Trading expenditure – MU Enterprises	903,715	-	-	903,715
Fundraising	209,701	-	-	209,701
	<hr/> 1,113,416	<hr/> -	<hr/> -	<hr/> 1,113,416
Charitable activities	1,425,856	876,163	90,205	2,392,224
Total Expenditure	<hr/> 2,539,272	<hr/> 876,163	<hr/> 90,205	<hr/> 3,505,640
Net Income/(Expenditure) before recognised gains and losses	92,818	(186,255)	113,484	20,047
Net gains/(losses) on investment assets	128,680	57,151	86,757	272,588
Net Income/(Expenditure)	<hr/> 221,498	<hr/> (129,104)	<hr/> 200,241	<hr/> 292,635
Total Funds Brought Forward	<hr/> 822,595	<hr/> 826,051	<hr/> 1,264,604	<hr/> 2,913,250
Total Funds Carried Forward	<hr/> <hr/> 1,044,093	<hr/> <hr/> 696,947	<hr/> <hr/> 1,464,845	<hr/> <hr/> 3,205,885

3. Subsidiary Undertaking

Mothers' Union owns the whole of the issued share capital of MU Enterprises Limited ("the company"). The principal activities of the company are the sale of publications, cards and gifts, the publication of the magazine *Families First*, and the letting of conference rooms.

The interests of Mothers' Union are:

	Share Capital	
	2017 Total £	2016 Total £
At beginning and end of year	12	12

Advances, where made, are secured by way of a fixed and floating charge over the assets of the company, under a debenture dated 14 December, 1995.

4. Trading Activities and Results of MU Enterprises Limited

	2017 £	2016 £
Turnover	1,112,942	1,083,141
Cost of sales	(753,150)	(708,363)
Gross profit	359,792	374,778
Indirect and administrative costs	(370,534)	(295,152)
Interest receivable	20	68
Interest payable to Mothers' Union	-	(2,244)
Net profit	(10,710)	77,450

Indirect and administrative costs include rent payable to Mothers' Union of £99,800, (2016 - £99,800). The subsidiary donates its taxable profits to the Charity each year under a deed of covenant.

The aggregate of the assets, liabilities and reserves was:

	2017 £	2016 £
Aggregate assets	330,863	484,229
Aggregate liabilities	(341,573)	(484,217)
	(10,710)	12

5. Investments – other investments

	Unrestricted Funds	Overseas Funds	Other Restricted Funds	Total 2017	Total 2016
	£	£	£	£	£
Rental Income	59,775	-	-	59,775	59,819
Bank Interest		-	-	-	68
Fixed interest stocks	3,039	-	-	3,039	3,039
Investment trusts	65,165	30,022	20,381	115,568	110,546
Short-term deposits	55	-	-	55	26
Shares in UK listed companies	8,825	-	-	8,825	1,393
	<u>136,859</u>	<u>30,022</u>	<u>20,381</u>	<u>187,262</u>	<u>174,891</u>

6. Expenditure

a) Analysis of Charitable Activities

	Grants	Direct Costs	Support Costs	Total 2017	Total 2016
	£	£	£	£	£
Community Engagement & Development	147,259	370,032	146,725	664,016	629,553
Training & Capacity Building	165,777	388,488	154,044	708,309	642,669
Prayer & Fellowship	54,784	217,622	86,292	358,698	256,150
Campaigning	60,704	252,801	100,241	413,746	340,868
Emergency Relief	49,350	3,011	1,194	53,555	41,035
Membership Resources	60,229	416,406	165,115	641,752	481,949
	<u>538,103</u>	<u>1,648,362</u>	<u>653,611</u>	<u>2,840,076</u>	<u>2,392,224</u>

b) Analysis of Support Costs

	Governance	Administration	Premises & IT	Depreciation	Total 2017 £	Total 2016 £
Community Engagement & Development	31,439	65,472	38,183	11,631	146,725	125,429
Training & Capacity Building	33,007	68,738	40,088	12,211	154,044	128,144
Prayer & Fellowship	18,490	38,505	22,456	6,841	86,292	55,691
Campaigning	21,479	44,730	26,086	7,946	100,241	76,108
Emergency Relief	256	533	311	95	1,195	1,899
Membership Resources	35,380	73,676	42,969	13,089	165,114	112,232
	<u>140,051</u>	<u>291,654</u>	<u>170,093</u>	<u>51,813</u>	<u>653,611</u>	<u>499,503</u>

Support costs are allocated in the ratio of staff time, space occupied, grants paid and direct costs.

Mothers' Union made grant payments to 101 affiliates during the year (2016 – 104) which include grants for programmes, salary and travel costs for Community Development Coordinators and other project related costs such as equipment.

Grants with a total value in excess of £35,000 were made in instalments to the following recipients:

	2017	2016
	£	£
Burundi to support local Community development Co-ordinators	42,000	
South Sudan for Emergency Relief	38,477	
South Sudan for local Community Development Co-ordinators	45,753	
Burundi, grant for Literacy & Financial Education Programme	-	37,632
South Sudan, Literacy & Financial Education Programme	-	82,173
Rwanda, grant for Transformational Savings and Credit programme	-	62,547
	<u> </u>	<u> </u>

c) Analysis of Governance Costs

	2017	2016
	£	£
Audit and accountancy fees	13,350	10,000
Strategic Review	4,979	13,075
Trustees' Training	-	1,030
Trustees' Expenses	43,959	53,996
World Wide Conference	28,763	-
Apportionment of Staff costs	49,000	49,000
	<u> </u>	<u> </u>
	140,051	127,101
	<u> </u>	<u> </u>

7. Net Income/(Expenditure)

Net Income/(Expenditure) resources are stated after charging

	2017	2016
	£	£
Depreciation of tangible fixed assets	51,813	34,419
Auditors remuneration – audit of parent charity	11,600	12,000
– audit of MU Enterprises Limited	6,275	7,000
- other	1,750	-
	<u> </u>	<u> </u>

8. Employees

	2017	2016
Average number of employees (headcount)	43	45
	<u> </u>	<u> </u>
Aggregate remuneration to employees was:	£	£
Wages & salaries (including temporary staff)	1,334,085	1,424,998
Social Security costs	130,543	143,324
Pension costs: operating cost	92,577	90,922
Subtotal	1,557,204	1,659,244
Additional pension costs: increase to deficit contribution (note 10)	333,219	-
Total salary expenditure	1,890,423	1,659,244
Less:		
Recharged to subsidiary undertaking by way of management charge	(541,898)	(494,946)
Net salary expenditure, borne by the Charity	<u>1,348,525</u>	<u>1,164,298</u>

The number of employees with annual remuneration in excess of £60,000, excluding pension contributions to the Church Workers Pension Fund administered by Church of England:

	2017	2016
£70,001 - £80,000	1	1

During the year no Trustees received any remuneration. 16 Trustees claimed expenses of £43,959 (2016, 17 Trustees - £40,966) for travel and subsistence. In addition, the Charity paid £1,500 for Trustee Indemnity Insurance (2016 - £1,500).

Total remuneration paid to key management personnel totalled £337,833 for 2017 (2016 - £346,907), which includes pension contribution of £33,099 (2016 - £29,819). Out of this, £92,854 (2016 - £82,019) was charged to subsidiary (MU Enterprises Ltd.) as Directors' remuneration.

One member of staff was made redundant during 2017. The cost of this was £4,000 (2016 - one member of staff was made redundant. The cost of this was £1,437).

9. Related Parties

Aggregate donations of £1,876 were received from Trustees during 2017 (2016 - £4,472).

10. Pension Costs

The Mothers' Union participates in the Pension Builder Scheme section and the Defined Benefit Scheme section of CWPF for lay staff. Both schemes are administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefit Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

10. Pension Costs (continued)

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2017: £51,650, 2016: £38,267).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2013. This revealed, on the ongoing assumptions used, a surplus of £0.5m. There is no requirement for deficit payments at the current time.

Pension Builder 2014 will be valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits. Pension Builder 2014 commenced in February 2014 so the first full valuation of that section is scheduled to be carried out at the next CWPF valuation date, 31 December 2016.

Defined Benefit Scheme

The Defined Benefit Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year contributions are payable towards benefits and expenses accrued in that year (2017: £40,927, 2016: £52,655), plus any impact of deficit contributions (see below), giving a total charge of £374,146 for 2017 (2016: £79,483).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the most recent having been carried out as at 31 December 2013. In this valuation, the Life Risk Section was shown to be in deficit by £4.9m and £4.3m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £12.9m.

Following the 2013 valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 18.2% of pensionable salary and expenses of £5,400 per year. In addition deficit payments of £73,600 per year were agreed for 5.75 years from 1 April 2015 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

Following preliminary results of the next actuarial valuation as at 31 December 2016 The Mothers' Union has made a provision of £549,219, being the total assessed deficit to be repaid over 5 years from April 2018. This obligation has been recognised as a liability within the charity's financial statements.

10. Pension Costs (continued)

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2017	2016
	£	£
Balance Sheet Liability as at 1 January	288,000	347,000
Deficit Contribution paid	(74,000)	(74,000)
Interest	2,000	6,000
Remaining change to balance sheet liability* (recognised in SoFA)	333,219	9,000
	<hr/>	<hr/>
Balance Sheet liability as at 31 December	549,219	288,000
	<hr/>	<hr/>

*Comprises changes in expected deficit recovery plan following receipt of preliminary 2016 valuation.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	2017	2016	2015
Discount rate	2.00%	0.90%	2.00%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

The next valuation of the scheme was due to be carried out as at December 2016. Although work has commenced on this valuation, the final report and agreed recovery plan is not expected to be finalised until later in 2018, however the charity has made a provision above based on the proposed recovery plan which was communicated to the charity in 2017.

11. Freehold Property

Mothers' Union owns the freehold property in Westminster consisting of the office premises and chapel, representing an original capital expenditure of £65,492 in 1925, this amount having been received by Mothers' Union from various sources, both home and overseas. The Trustees consider that the market value of the freehold property is in excess of the carrying cost in the Balance Sheet.

As explained in the statement of accounting policies, the cost of this property is shown in the Balance Sheet in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities.

12. Tangible Assets - (Group and Charity)

	Freehold Property	Office Furniture & Equipme nt	Membership database & website development	Computer Equipme nt	Total
	£	£	£	£	£
Cost					
1 January 2017	222,294	509,530	-	256,919	988,743
Additions	-	447	112,693	30,173	143,515
31 December 2017	222,294	509,977	112,693	287,092	1,132,058
Deprecation					
1 January 2017	40,149	482,470	-	234,958	757,577
Charge for year	6,277	12,801	11,269	21,466	51,813
31 December 2017	46,426	495,271	11,269	256,424	809,390
Net Book Value at 31 December 2017	175,868	14,706	101,424	30,668	322,665
Net Book Value at 31 December 2016	182,145	27,060	21,961	21,961	231,166

The Charity entered into an annually renewable overdraft arrangement for £250,000 to bridge the fall in income caused by the economic climate, which it continues to use to support its day to day cash flow needs.

13. Capital commitments

The Board of Trustees approved capital commitments at 31 December at a cost of £14,300.

14. Associated Charities

The Mothers' Union is active in 34 Provinces of the worldwide Anglican Communion. Each of the Provincial organisations is independent and accordingly their assets and results are not included in these accounts. The Charity is also at work in dioceses of the Church of England, the Church in Wales, the Church of Ireland and the Scottish Episcopal Church. Each diocesan organisation is autonomous and therefore their assets and results are not included in these accounts either.

15. Investments – (Group & Charity)

	Unrestricted Funds £	Restricted Fund Overseas £	Other Restricted Funds £	Total 2017 £	Total 2016 £
<i>Market Value:</i>					
At beginning of year	1,665,606	747,862	620,523	3,033,991	2,866,456
Additions	-	-	-	-	24,947
Transfers	-	15,674	(15,674)	-	-
Disposal	(162,662)	-	-	(162,662)	(116,397)
Gains	113,474	41,025	56,894	211,393	258,985
At end of year	<u>1,616,418</u>	<u>804,561</u>	<u>661,743</u>	<u>3,082,722</u>	<u>3,033,991</u>
<i>Being at market value:</i>					
Fixed interest stocks	77,273	-	-	77,273	77,927
Investment trusts	1,505,943	780,506	661,743	2,948,192	2,904,816
Shares in UK listed Companies	33,202	24,055	-	57,257	51,248
	<u>1,616,418</u>	<u>804,561</u>	<u>661,743</u>	<u>3,082,722</u>	<u>3,033,991</u>
Cost of investments	<u>228,780</u>	<u>107,195</u>	<u>95,324</u>	<u>431,299</u>	<u>441,799</u>

All investments were in UK fixed interest stocks and investment trusts, and UK listed companies.

16. Debtors: Amounts falling due within one year

	2017 Group £	2017 Charity £	2016 Group £	2016 Charity £
Trade debtors	90,811	-	301,113	-
Amount due from subsidiary undertaking				
Deed of Covenant	-	-	-	77,450
Other	-	84,521	-	157,693
		<u>84,521</u>		<u>235,143</u>
Staff season ticket and other loans	16,601	16,601	12,173	12,173
Other debtors	81,863	50,844	246,044	246,044
Prepayments	97,047	72,353	48,644	48,644
	<u>286,322</u>	<u>224,319</u>	<u>607,974</u>	<u>542,004</u>

17 (a) Creditors: Amounts falling due within one year

	2017 Group £	2017 Charity £	2016 Group £	2016 Charity £
Pension deficit due within 1 year	101,613	101,613	73,600	73,600
Trade creditors	136,439	88,201	232,873	148,161
Other taxation	54,063	39,247	58,336	51,091
Other creditors	34,260	34,260	36,425	36,425
Deferred income	182,691	42,704	152,117	-
Accruals	353,272	299,261	83,403	78,404
	<u>862,338</u>	<u>605,286</u>	<u>636,754</u>	<u>387,680</u>
	=====	=====	=====	=====

(b) Creditors: Amounts falling due after more than one year

	Charity and Group	
	2017 £	2016 £
Pension Deficit	<u>447,606</u>	<u>214,400</u>
The total pension deficit is repayable over the following period		
Within 1 year	101,613	73,600
Between 1 and 2 years	108,778	214,400
Between 2 and 5 years	338,828	-
	<u>549,219</u>	<u>288,000</u>

(c) Deferred Income

	Balance at 1 January 2017 £	Released during the year £	Deferred during the Year £	Balance at 31 December 2017 £
Deferred Income	<u>152,117</u>	<u>(152,117)</u>	<u>182,691</u>	<u>182,691</u>
	=====	=====	=====	=====

Deferred Income represents income that was received during the year, for subscriptions relating to the publications, which have not been sent to subscribers and other income received in advance.

18. Stocks

	2017		2016	
	Group £	Charity £	Group £	Charity £
Goods for resale	<u>76,274</u>	<u>2,550</u>	<u>112,910</u>	<u>2,550</u>
	<u>76,274</u>	<u>2,550</u>	<u>112,910</u>	<u>2,550</u>
	=====	=====	=====	=====

19. Restricted Funds

The income funds of the Charity include restricted funds comprising the unexpended balances of donations and grants held on trust to be applied for specific purposes. The details of these funds are as follows:

	Balance at 1 January 2017 £	Income £	Expenditure £	Investment Gains £	Balance at 31 December 2017 £
Overseas Fund	696,947	467,042	(740,270)	41,025	464,744
Other Restricted Funds					
Special Regional Meetings	211,524	-	(43,489)	12,677	180,712
Relief	614,170	178,171	(49,350)	-	742,991
Overseas Provident	535,904	20,381	(71,921)	44,217	528,582
Britain & Ireland Development Fund	72,913	60,670	(75,000)	-	58,583
MSH Fund	18,677	7,040	-	-	25,717
Other Funds	11,656	1,131	(88)	-	12,699
	<u>1,464,845</u>	<u>267,393</u>	<u>(239,848)</u>	<u>56,894</u>	<u>1,549,284</u>
Total Restricted Funds	<u>2,161,792</u>	<u>734,435</u>	<u>(980,118)</u>	<u>97,919</u>	<u>2,014,028</u>

Other Funds includes 2 individual funds comprising Away From It All Fund and The Chapel Fund where the fund balances and income, expenditure, gains or losses on investments are less than £7,000 per fund.

A brief description of the purpose of each fund is given below.

Fund	Purpose
Overseas Fund	To support the Charity's work in communities worldwide through Mothers' Union dioceses.
Special Regional Meetings	To pay for the worldwide Special Regional Meetings, which replaced the Worldwide Council Meetings that took place every 10 years.
Relief	To give emergency relief to families whose lives have met with adversity.
Overseas Provident	To pay for pensions and health costs for overseas Mothers' Union workers, where adequate arrangements do not exist.
Britain & Ireland Development Fund	Support the Charity's work in communities in Britain and Ireland through its Mothers' Union dioceses.
MSH Fund	To support refurbishment work relating to Mary Sumner House.
Other	
Away From It All Fund	To help disadvantaged families to have holidays in Britain and Ireland.
Chapel Fund	To pay for the upkeep of the Chapel in Mary Sumner House.

Comparative fund movement for 2016 can be found in the 2016 financial statements which are publicly available on the Mothers' Union website

20. Analysis of Group Net Assets between Funds

	Unrestricted Fund £	Overseas Restricted Fund £	Other Restricted Funds £	Total £
Fixed Assets	322,665	-	-	322,665
Investments	1,616,418	804,561	661,743	3,082,722
Current Assets/Liabilities	(786,189)	(339,817)	887,541	(238,465)
Long term Liabilities	(447,606)	-	-	(447,606)
Net Assets	<u>705,288</u>	<u>464,744</u>	<u>1,549,284</u>	<u>2,719,316</u>

Trustees and Leadership

Trustees

Lynne Tembey
Worldwide President

Maria Akrofi
General Trustee

Elisabeth Crossman
General Trustee

Margaret Edwards
Unit Coordinator (Action & Outreach)

Phyllis Grothier*
Provincial President (Ireland)

Sheran Harper
General Trustee

Margaret Jones*
Unit Coordinator (Finance & Central Services)

Frida Kazembe
General Trustee

Joyce Kibaja
General Trustee

Helen Parry*
General Trustee & Chair of Audit and Risk Committee

Jean Price
Provincial Representative Trustee

Jean McPherson-Richardson
Provincial President (Scotland)

Nicola Sweatman
Provincial President (Canterbury)

Barbara Taylor*
Provincial President (York)

Jane Tibbs
Unit Coordinator (Faith & Policy)

Katherine Warrington*
Provincial President (Wales)

Jocelyn Wright
Unit Coordinator (Fundraising & Communications)

**Members of the Audit and Risk Committee*

Chief Executive
Beverley Jullien

Secretary
Richard Miller
Appointed 12 June 2017

Registered Office
Mary Sumner House,
24 Tufton Street,
London SW1P 3RB

Auditors
haysmacintyre
10 Queen Street Place,
London EC4R 1AG

Bankers
National Westminster Bank Plc
57 Victoria Street,
London SW1H 0HN

Solicitors
Bircham Dyson Bell
50 Broadway,
London SW1H 0BL

Investment Managers
M&G Securities Ltd
PO Box 6152,
Basildon SS14 0WL

CCLA Investment Management Ltd
80 Cheapside,
London EC2V 6D

Thank You

We thank our members and supporters for the generous time and funding they provide which makes so much work around the world possible.

The funding partners below we would also like to thank for their belief in our work and contributions towards making it possible:

- Comic Relief
- The Patron's Trust
- Patricia Wright Charitable Trust
- Isle of Man International Development Committee
- The Old Friend Charitable Trust
- Candap Trust
- Church of Ireland's Bishop Appeal
- Souter Charitable Trust
- Heb Ffin
- Five Talents International

We also thank funders and partners with whom our members around the world work directly.



Mary Sumner House
24 Tufton Street
London
SW1P 3RB

Tel - 020 7222 5533

www.mothersunion.org



@MothersUnion



/MothersUnion

Registered Charity No. 240531

Credit: Phil Knox

Images on pages 8, 9 and back cover