



2022
ANNUAL REPORT
INCLUDING AUDITED FINANCIAL STATEMENTS

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EGMONT SUPPORTS LOCAL GRASSROOTS ORGANISATIONS IN EAST & SOUTHERN AFRICA TO SCALE UP THEIR RESPONSES TO THE DEVASTATING IMPACT OF HIV & AIDS ON VULNERABLE CHILDREN AND FAMILIES.

We focus on six heavily affected countries: **Kenya, Malawi, Mozambique, Tanzania, Zambia & Zimbabwe**, where the highest concentration of AIDS deaths occur and number of orphans live.

Within each community affected, local grassroots responses have emerged, led by passionate people who have witnessed the disease's effects on family members, neighbours and colleagues. They use their knowledge and experience to address the economic, educational, medical, and social impact on the most vulnerable: children and women.

We select unique and effective models from this dynamic market, ensuring the greatest change in the lives of vulnerable children is brought about by our donors' monies. We value on the ground expertise and prioritise decisions made closest to those affected.

Egmont's comparative advantage is our ability to find the very best from the plethora of grassroots organisations operating in the region. Through rigorous assessments, we identify those with scalability potential and invest strategically. We also prioritise inspirational leaders and dedicated staff.

We partner with these local leaders to scale-up their proven interventions to more vulnerable children within their communities. We start with small grants and gradually increase support to facilitate organic growth and cost-efficient expansion.

We operate a portfolio model, directing resources to Partners that are achieving greater results and with the potential to enact wider change. This approach mitigates the risk of over-investing in one approach or organisation.

We help our Partners to develop: refine approaches, address project gaps, and foster collaboration among individuals and organisations.

We bring our portfolio together, enabling the cross-fertilisation of ideas and spreading effective approaches across organisations and communities.

We know that giving local communities and people the resources and tools to help themselves is key to achieving long-lasting and sustainable change and generating the greatest impact for our donors - but most of all - for the vulnerable children affected.

THE MOST EFFECTIVE RESPONSES LIE WITHIN THE COMMUNITIES MOST AFFECTED.



2022

AT A GLANCE

£2.03M
TOTAL AMOUNT RAISED*

£1.32M
COMMITTED TO PROJECTS

53
PARTNERS SUPPORTED

76,969

PEOPLE HELPED

* includes funds raised for projects, operational costs and direct funding pledged for two projects.



Pictured: A group of young women who have just graduated from a business training programme run by Egmont Partner Talia Women's Network. The programme, called 'Street Business School', provides business management and financial literacy skills and helps graduates to set up home businesses, providing them with an income and enabling them to feed their families, send their children to school and afford basic healthcare.

SUB-SAHARAN AFRICA IS THE POOREST REGION IN THE WORLD. IT IS THOSE MOST VULNERABLE, CHILDREN AND WOMEN, THAT EGMONT AND OUR PARTNERS SEEK TO HELP.

The region is home to more people living in absolute poverty than all other world regions combined. 60% of the region's populace lives on an income of less than \$2.15 per day. It is the only region where the number of children registered as 'out-of-school' is growing; now numbering some 100 million young children and adolescents without access to an education.

Chronic malnutrition remains common, with almost a third of all under-fives in the region 'stunted'; showing lower height and weight than expected for their age.

HIV & AIDS exacerbates all of these underlying and entrenched inequalities and vulnerabilities.

Over 25 million people across the region have succumbed to AIDS-related illnesses. Today, there are over 11 million children growing up without one or both parents due to the continuing onslaught of AIDS-related deaths. There are more families of all types - single parent, grandparent and child-only households - who are struggling to feed, clothe and care for themselves.

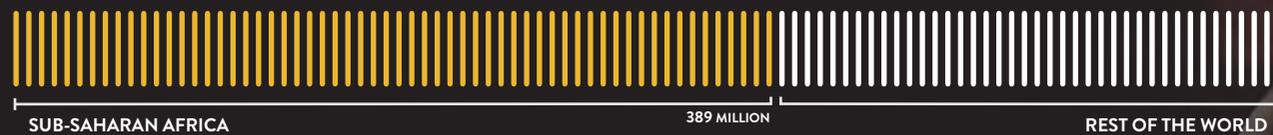
The challenges for families, communities and governments across the region are immense and evolving as each new generation grows up in a reality shaped by HIV & AIDS.

It is these challenges that Egmont and our Partners seek to address and help shape a better future for the vulnerable children affected.

SHARE OF HIV+ POPULATION



SHARE OF POVERTY HEADCOUNT



OUT-OF-SCHOOL POPULATION



HIV TREATMENT AVAILABILITY IN SUB-SAHARAN AFRICA



SHARE OF AIDS ORPHAN POPULATION



Pictured: A widowed grandmother from Kenya, left caring for her six grandchildren after her children passed away from AIDS-related illnesses. She has been helped by Ace Africa who, with Egmont's support, run a project linking rural communities to health and treatment centres and increase the economic resilience of families affected by AIDS. Photo credit: Patrick Drummond

FROM THE CHAIRMAN



Pictured: A family in Malawi supported by Egmont Partner, Community Partnership for Relief and Development (COPRED). With funding from Egmont, COPRED established business training and savings groups across 20 villages in southern Malawi to boost the incomes of families caring for over 2,000 AIDS affected children.

GLOBAL HEALTH RESOURCES FOCUSED ON HIV & AIDS WERE DIVERTED TO ADDRESS THE COVID-19 PANDEMIC AND HAVE ONLY PARTIALLY RETURNED.

Sadly, this is not because the threat of and damage from HIV & AIDS has in any way reduced. HIV & AIDS remains a major societal challenge in the countries where Egmont operates.

Much of the declining international response focuses on treatment. However, the needs of HIV & AIDS impacted families and children extend far beyond treatment. For every parent who dies, an orphan is left behind. There are now more than 11 million children across the region who have lost one or both parents to AIDS-related illnesses. Many are cared for by grandparents or siblings, who are themselves vulnerable. In the world's poorest region, these families struggle. Food, school fees, medicine, employment and other basic necessities are hard won or gone without.

Addressing the full extent of the AIDS epidemic's impact remains Egmont's focus. Through our portfolio model, we supported 53 local grassroots Partner organisations in 2022.

Together, Egmont's Partners reached over 76,000 vulnerable children and family members through their locally-conceived, grassroots and community-owned projects. Projects that delivered improvements in child nutrition, health, access to education, and treatment amongst many other effective solutions. You can read more about these variegated responses and how they intersect with the UN Sustainable Development Goals (SDGs) on page 17.

Across our portfolio we fund a diverse variety of organisations, both in size, sophistication and approach. They know – better than any outsider – what works best in their local context and how to deliver support to those who need it most. Our role is to find the very best of them, provide them with the resources to scale up, and improve the lives of many more vulnerable children through their cost-effective and proven responses.

The Egmont team, based in Lusaka, Harare and Cardiff, have again worked 'over and above' to deliver value for our donors and impact for our beneficiaries. We have recently concluded an ambitious new Five Year Plan to enable Egmont to scale up and generate greater impact. Our co-CEO Matthew Kidd retired at the end of the year, and we would like to record our thanks for the organisational rigour he has left as a legacy.

This Annual Report explores some of the results achieved by our portfolio Partners over the last year. It shows what their work means to a child or a parent, grandparent or other relative caring for family members affected by AIDS. All of what you will read is made possible through the coming together of two impressive groups: our dedicated and inspiring Partners, and our loyal and generous supporters. We are deeply and humbly grateful to both. Through them, tens of thousands of vulnerable people will again be helped this year. On their behalf, thank you.

Jeremy Evans
Chairman

OUR PORTFOLIO

EGMONT SUPPORTED A PORTFOLIO OF 53 GRASSROOTS PARTNERS ACROSS SIX COUNTRIES IN 2022, ENABLING THEM TO REACH MORE THAN 76,000 VULNERABLE CHILDREN AND FAMILY MEMBERS THROUGH THEIR LOCALLY CONCEIVED AND COMMUNITY OWNED PROJECTS.

Partner numbers: A total of 53 grassroots organisations were supported during 2022 with 42 remaining as active Partners at the end of year as we looked to make space in our portfolio to recruit innovative new Partners in 2023.

Partner recruitment: 139 organisations applied for funding from Egmont for the first time in 2022. Egmont's rigorous, multi-staged application process ensures that only the very best receive funding. In 2022, just two new applicants were selected to become Partners.

Partner development: Egmont employs a flexible, graduated grant structure to direct the right level of resources to our diverse range of Partners and allow for organic growth.

New Partners enter the portfolio at the lower level, we support them to scale up their existing activities and reach more vulnerable children. We then work with them to refine their approach, delivering impact at scale and

reaching more vulnerable children for proportionately less investment. Effective Partners with proven results are then selected for increased levels of funding, reaching greater numbers of those affected. During 2022, we upgraded 11 Partners to a higher level of grant.

Partner links and learning: By linking Partners together, we facilitate the propagation of effective methods across the portfolio and provide a forum for new, innovative responses to be developed. Last year we linked 37 organisations together through our peer learning initiatives, which included - for the first time - virtual 'round-tables'; linking Partners running similar projects from across the region.

Total reach: We saw a decline in the number of beneficiaries reached in 2022 compared to the previous year. This was due to lower overall Partner numbers as we look to reconfigure the portfolio with a greater balance of Partners supported in Mozambique and Tanzania.



GIVING 100%

Our Trustees & Patrons cover all of our operating costs, so 100% of your donations go straight to projects on the ground in Africa.



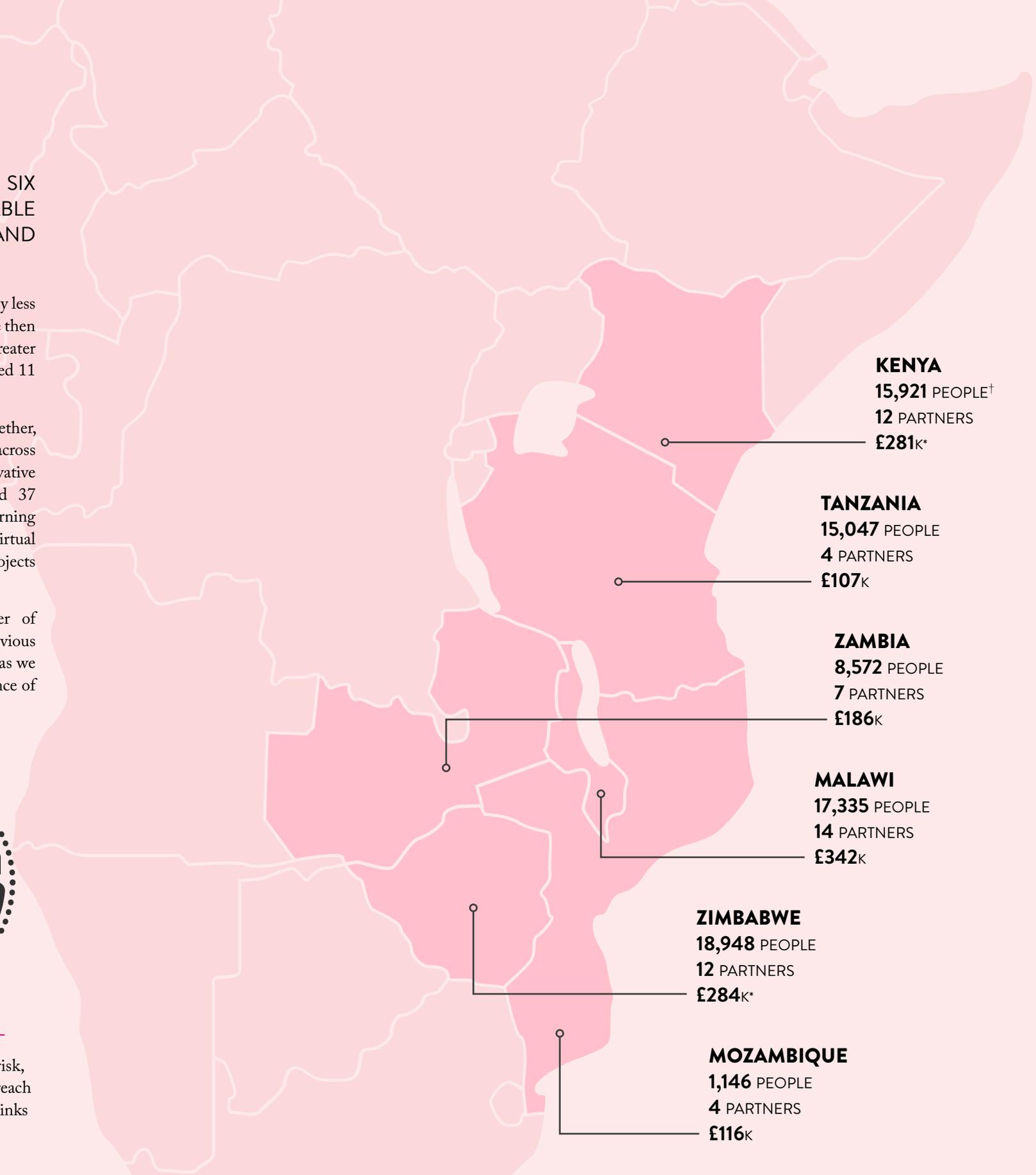
LOCAL PARTNERS

Our Partners are our strength. Their local knowledge, expertise and community links enable greater results and impact.



PORTFOLIO MODEL

Our portfolio model spreads risk, directs resources effectively to reach more vulnerable children and links our Partners together.



* Includes £77,441 direct funding secured for two projects.
 † People helped is a dynamic number, based on proposal figures and updated as we receive confirmation through project progress reports.



**2022
IMPACT**

EACH COMMUNITY, FAMILY AND CHILD IS UNIQUE.

SO ARE OUR PARTNERS.

The impact of the HIV & AIDS epidemic touches every strata and sector of society across the region. Already existing vulnerabilities, disadvantages and challenges are added to and changed by the impact of AIDS.

The community responses that Egmont finds and funds are shaped by this reality. The most effective approaches are informed by - and work with - the existing local context, structures and communities, to bring about change.

As a result, Egmont's portfolio is awash with a refreshing diversity of activities and initiatives designed to improve the lives of vulnerable children and the family members that care for them. We are not prescriptive, nor do we endorse any one type of approach or methodology. Helping families to access healthcare is just as important

as increasing their ability to secure nutritious food. Stopping discrimination against HIV+ individuals as worthy as helping communities to reduce the incidence of HIV infection.

We help to strengthen the ability of local people to develop their own solutions to the issues most affecting their communities. There is no 'one-fits-all' solution, and each intervention is more effective when combined with another. We do the groundwork, assessing each project on its own merits, bringing them together through our portfolio and ensuring the greatest social return for the monies entrusted to us.

SUSTAINABLE DEVELOPMENT GOALS

As you will see over the next few pages, the work of our Partners is wide-ranging and addresses the full extent of the epidemic, achieving greater impact together than in isolation. Egmont's rigorous reporting structure enables us to build a picture of how children and families are being helped across our portfolio.

We categorise our Partners' activities and results into thematic impact areas that show us how our portfolio is addressing the economic, educational, medical and social issues that children and families across the region are facing. These impact areas overlap with many of the United Nations' Sustainable Development Goals (listed below), contributing to a better and fairer world. We know that it is through sustained, widespread, incremental improvement that long-lasting change is delivered.



Pictured: Judith in the arms of her Bibi (grandmother), next to her siblings. Judith's mother died in childbirth and her grandmother wanted to care for her, but she had six other young grandchildren at home and no means to provide for these children, nor was she able to feed a small baby.

Fortunately, Judith is in Mwanza were Egmont Partner Forever Angels has been supported by Egmont to help babies like her, whose parents have either died or are too ill from AIDS-related illnesses to produce breast milk. Judith was cared for at the Forever Angels Baby Home for six months, provided with essential formula milk. Forever Angels provided training and a start-up kit to Bibi Judith to start a business selling *dagaa* (dried fish).

Now, Bibi Judith earns 10,000 shillings a day - a very good wage in Tanzania - and the whole family is able to eat regularly, the older children are enrolled in school and Judith is growing well.





Improving Livelihoods

PARTNER HIGHLIGHTS

PORTFOLIO RESULTS

3,642

CHILDREN SUPPORTED BY SCHOOL FEEDING PROGRAMMES OR NUTRITIONAL CARE PACKAGES

Increase in monthly incomes since project start for families caring for under-weight infants after receiving business training and start-up capital.

300%

FOREVER ANGELS, TANZANIA

756

YOUNG PEOPLE AND CARE GIVERS ENROLLED IN VOCATIONAL TRAINING PROGRAMMES

Weight increase among 244 HIV+ or exposed children after training caregivers on good nutritional practices, supporting them with food supplements and optimal growth activities.

66%

NDOLA NUTRITION ORGANISATION, ZAMBIA

1,382

HOUSEHOLDS PROVIDED WITH AGRICULTURAL TRAINING OR INPUTS SUCH AS SEED OR LIVESTOCK

£8,445

Total livestock assets amongst 100 households supported in rural Ntecheu District enrolled in a livestock 'pass-on' programme, after an initial disbursement to just 36 households.

4,308

PEOPLE ENROLLED IN SAVINGS, LOANS AND BUSINESS GROUPS

FUTURE 4 ALL, MALAWI

Our Partners help families struggling to afford basic necessities for the children in their care by increasing access to more nutritious food, giving them the means to establish income streams and grow their own food so that they can provide for themselves.



IMPROVED NUTRITION

IMPACT
9,097
PEOPLE HELPED

PARTNERS
30

WORKING IN THIS AREA

Improved Nutrition means healthier, happier children that are able to fulfil their potential. Well-nourished children are more likely to grow into healthy adults who can contribute to the economic development of their communities and countries. By breaking the

cycle of malnutrition and poverty, improved nutrition helps create a brighter future for children in East and Southern Africa. **Just some of the varied approaches our Partners use are detailed below.**

- + School feeding programmes provide daily hot meals for vulnerable children.
- + School and kitchen gardens for supply of more nutritious vegetables.
- + Community groups and caregiver committees identify malnutrition cases.
- + Nutritional training and care packages for HIV & AIDS-

- affected caregivers.
- + Formula milk for HIV+ mothers with newborns.
- + Seeds, fertilizers, and modern agricultural training.
- + Livestock 'pass on' programmes for protein and income generation.
- + Irrigation equipment, crop diversification and agro-forestry programmes to combat the effects of climate change.



INCREASED INCOMES

IMPACT
11,114
PEOPLE HELPED

PARTNERS
41

WORKING IN THIS AREA

Increased Incomes help families to sustainably meet the needs of the children in their care. Providing individuals - especially women - with the tools, training and resources to improve their economic status has a ripple effect: stronger, more stable households that are resistant to economic shocks; greater gender equality;

and better educational outcomes. More broadly, economically active individuals contribute to local economic development: as entrepreneurs, job creators, and active participants in the market. **Some of our Partners' approaches to help bolster family incomes are detailed below.**

- + Financial support, materials, and business training to help families launch income-generating ventures.
- + Agricultural training, seeds, livestock, and access to land and equipment for rural families.
- + Vocational training for employment or self-employment for caregivers and young adults.
- + Savings and loan groups so families can access credit to start businesses.

- + Training and materials for producing homemade products like soap, floor polish, and fuel-efficient stoves.
- + Training families in value addition techniques to enhance income from existing businesses.
- + Community apprenticeship programmes linking young people to established businesses and in-demand vocations.
- + Caregiver business groups that share the cost of expensive equipment.



“It was after the training that I decided to buy a sewing machine. I wanted to make more money, no one else was sewing clothes or uniforms. I saw an opportunity.”

ZAMBIA RAINBOW DEVELOPMENT FOUNDATION

IMPROVING LIVELIHOODS

Helping families in rural Zambia to boost their incomes and increase their food security amid changing weather patterns.

Despite Zambia's urbanisation in recent decades, the majority of its 20 million population still resides in rural areas, where small-scale farming is the predominant way of life. Unfortunately, poverty remains pervasive in these rural communities, with 78% of the rural populace living below the international poverty line¹. The impact of poverty is particularly acute for women and adolescent girls. To compound matters, increasingly erratic weather patterns are putting additional strain on these families, as their earnings and food security heavily rely on rain-fed agriculture.

To address these challenges, the Zambia Rainbow Development Foundation (ZRDF), with support from Egmont since 2017, has been working to improve the food security and income levels of AIDS-affected families in the rural districts of Luano and Mkushi in Zambia's Central Province. ZRDF achieves this through comprehensive training programmes in modern agricultural techniques, with a focus on promoting efficient cropping systems that

Motivated by the potential for change, Justina enrolled in financial literacy and climate-smart agricultural training. Through the programme, she learned to cultivate high-value, nitrogen-fixing crops such as cowpeas and soybeans, which require minimal inputs. She also learned how simple farming practices like intercropping and crop rotation can significantly increase yields and income. Additionally, the financial literacy and business training taught her how to invest her resources back into her income generating activities.

Justina then joined a SILC group in her community. Through low-interest loans provided by the group, she made investments in agricultural production. With her increased earnings from selling her extra produce, she bought a sewing machine, which became a source of additional income by sewing school uniforms, reusable sanitary towels, and other items for her community. Justina's entrepreneurial spirit flourished, and she saw an opportunity to meet a demand in her area.

294 farming families were supported and grew 110 tons of soya beans in 2022, earning them £46,187.

mitigate the effects of climate change. They also offer financial literacy classes and help establish savings and credit associations, enabling families to plan for future shocks and better manage their finances.

Justina Chiboli, a 48-year-old mother responsible for six of her own children and four orphans, struggled to generate enough income to meet her family's basic needs. Previously, Justina relied solely on her husband's income from small-scale maize and groundnut farming, which proved inadequate. The family couldn't afford proper housing, and struggled to pay school fees, or provide three meals a day. Justina learned about the project through a friend who belonged to a savings and internal loan community (SILC) group established by ZRDF.

Justina then ventured into livestock farming by purchasing a cow. Justina continued her involvement with the savings group and received 4,300 kwacha in the subsequent year's share-out, which she used to help send her son to university - almost unheard of in a rural community. In Zambia, less than one in twenty children progress to tertiary education².

"My family and I are comfortable now, but I still want to grow my income base and to invest more into my sewing of dresses, uniforms, re-usable sanitary towels and, of course, expand my farming businesses by growing larger fields of soya beans."

R-LABS

IMPROVING LIVELIHOODS

Unlocking the entrepreneurial potential of young women in Tanzania, helping them to gain financial independence and reduce their vulnerability to HIV.

In Tanzania, cultural practices and inequalities in society lead to young girls being twice as likely as boys to be out of education, training or employment. On leaving school, they are confronted by the lack of job opportunities, finances, and often face traditional barriers to financial independence.

With so few prospects and little support, young girls often marry and have children early; one in three girls in Tanzania marry before their 18th birthday¹. This puts them at a heightened risk of infection. Consequently, across Tanzania, women are almost twice as likely to be infected with HIV as men.

R-Labs works in Iringa in central Tanzania, where infection rates are some of the highest in the country: 13% of the populace are HIV+. In 2022, Egmont provided R-Labs with the funding to bring their Grow Leadership programme to 960 vulnerable young women aged 15 to 24 years old. Using local businesses and inspirational people as mentors, the programme teaches leadership, business, and financial skills, enabling young women to find employment or create their own businesses. In gaining this confidence and financial independence, young girls can both meet their basic needs, develop reliable income streams, and meaningfully contribute to their communities.

As well as the financial and business training, R-Labs also provides education around sexual and reproductive health and nutrition, ensuring that young girls can make informed choices around sexual relationships and the use of contraception. Over half of the young girls attending the training already have at least one child. On completing the training, many participants mentioned that generating income and becoming financially independent had not only provided for their existing children, but also delayed their decision to grow their families further.

Out of the 960 young women trained in 2022, thanks to the support of The Egmont Trust, 950 have started businesses, found employment or returned to education.

The average weekly income of the participants increased almost five-fold, a significant result considering that there is no capital investment by the project in the young women's income generating activities. Their success is down to the skills imparted through the Grow Leadership programme and their own determination. Participants reported many benefits to their lives, including increased self-confidence, an ability to start saving money, having the money to pay school fees for their children or younger siblings, and being able to contribute their earnings to the household.

R-Labs also introduces participants to Youth Savings and Loans Associations (YSLAs), which provide a framework for young people to save some of their increased income.

The average weekly income of the participants increased almost five-fold.

These savings then provide loans for members wishing to set up new enterprises. In 2022, 370 new members established YSLA groups and saved over £11,000 in just a year.

R-Labs have changed the lives of hundreds of young women through its business training and education programme. These young women have been provided with not only the means to economic security, but also the confidence and independence to provide and advocate for themselves.

Egmont continues to support the work of R-Labs, providing them with increased funding to run a Core Project in 2023. This additional funding provides further mentoring and training, to grow the existing businesses from subsistence income level to sustainable enterprises, and generate employment opportunities for the communities.



“I have finally got the courage to start my own business, a beauty salon. I honestly feel really good about myself.”





Education

PARTNER HIGHLIGHTS

PORTFOLIO RESULTS

2,630

CHILDREN ASSISTED WITH SCHOOL FEES SUPPORT, UNIFORMS OR OTHER ESSENTIALS

2,280

YOUNG CHILDREN ENROLLED IN EARLY CHILDHOOD DEVELOPMENT (ECD) CENTRES

80

ECD STAFF & CAREGIVERS TRAINED IN GOOD NUTRITION AND DEVELOPMENTAL MONITORING

2,447

ADOLESCENT GIRLS PROVIDED WITH REUSABLE SANITARY PADS HELPING THEM TO STAY IN SCHOOL

94%

Percentage of 240 children supported into the classroom with payment of school fees, uniforms, shoes, books and stationary who progressed to the next grade at the end of the school year.

GOD CARES RIGHTS FOUNDATION, MALAWI

47

Children unable to attend school for long periods due illness or financial hardship supported back into the classroom.

THE SCHOOL CLUB, ZAMBIA

1,198

Children supported at their community school through a school feeding programme, ensuring that they receive a hot meal and are able to concentrate in class.

PARTNERS FOR LIFE ADVANCEMENT & EDUCATION PROMOTION, ZAMBIA

Our Partners work with local communities, schools and families to increase the number of children enrolled and staying in school.



ACCESS TO EDUCATION

IMPACT

6,136

PEOPLE HELPED

PARTNERS

32

WORKING IN THIS AREA

Increasing **Access to Education** is one of the most cost-effective means of achieving long-term, sustainable positive change in the lives of children and broader society. Across sub-Saharan Africa there are more out-of-school children than in any other world region and - unlike other regions - the number of children not in the classroom has grown in recent years.

Yet, the benefits of increasing the number of children and adults in education cannot be understated, particularly girls and young women, who are still excluded to a greater extent than their male counterparts. When people receive quality education, they gain the skills, knowledge, and qualifications necessary to secure better employment opportunities in the future.

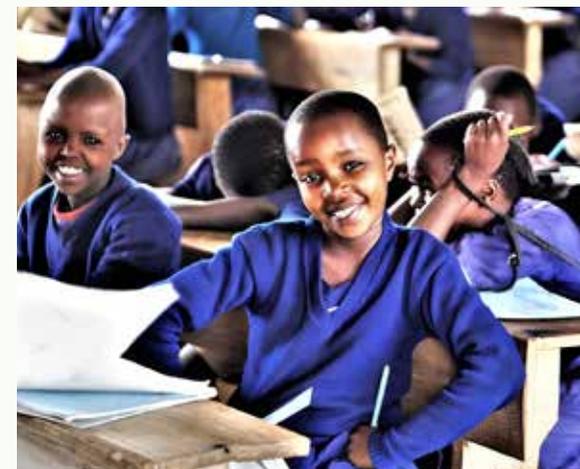
This empowers them to break the cycle of poverty, improve their living conditions, and contribute to the economic growth of their communities and countries.

Furthermore, education is essential for public health and disease prevention. Children can learn about health and hygiene practices and make informed decisions regarding their well-being. Vital information about HIV prevention, sexual and reproductive health, and other health-related issues can be easily disseminated, contributing to community well-being.

Below are some of the ways our Partners helped more children to enrol and stay in school in 2022.

- + Supplying school essentials like uniforms, shoes, backpacks, and stationery.
- + Covering tuition fees for vulnerable children.
- + Offering catch-up tuition for school drop-outs.
- + Establishing community schools in under-served areas.
- + Supporting schools with income-generating projects and nutrition gardens.

- + Providing sanitary pads for girls and teaching reusable pad making.
- + Offering nutritional support and medical care for HIV+ students.
- + Assisting street children in accessing education and acquiring life skills.
- + Providing job skills training for employment readiness.



CHILD OPPORTUNITY TRUST

EDUCATION

Ensuring all children are able to attend school and work towards a better future, no matter their HIV status.

Even though primary education is supposed to be free in Kenya, nearly 1.8 million children and adolescents who are meant to be in school have either dropped out or have never attended any classes¹. Expenses like uniforms, writing materials and books, as well as 'stealth' school fees, such as parent-teacher association levies, can be a barrier for families living on less than \$2 per day. This often results in children starting school late or dropping out entirely. Sadly, orphans and vulnerable children are often the ones most excluded from education when families can't afford to send all the children in their care to school.

To address this issue, Egmont supports Child Opportunity Trust (COT) to improve the lives of orphans, vulnerable children, and young mothers affected by HIV & AIDS in Kakamega, a county in western Kenya where new HIV cases are on the rise.

In 2022, Egmont supported COT with our smallest grant to run an Innovation Project focussed on helping children through their community-based Care Group (CG) model. This model involves close engagement with women and children in their homes, schools, and communities to reduce their vulnerability to HIV and improve their life-chances.



Through the Care Groups, COT facilitates access to education for vulnerable children by providing school materials and uniforms. They also conduct monthly home visits to identify and enrol children who are not attending school; monitoring their attendance and academic performance. Additionally, caregivers receive training on positive parenting, disclosing HIV status to children living with HIV, and are empowered with skills and resources for income-generating activities like business management, village savings and loan associations, poultry production, peanut butter production, and baking.

Hadida, a 74-year-old grandmother from Mwilunya village, takes care of her seven grandchildren, including 10-year-old Hamisi (pictured below-left) who is HIV+ and requires frequent medical care. Hamisi's mother died from AIDS-related illnesses, and his HIV+ father has a physical impairment that prevents him from working. Hadida has taken on the tremendous responsibility of caring for her grandchildren and their father.

COT provided Hamisi with a school uniform, school materials, and arranged monthly home visits from Care Group members. Hadida agrees that these interventions have had a positive impact on Hamisi, who was initially shy and withdrawn. His teacher now describes him as an excellent student who consistently attends school, a marked improvement from the previous year when he could hardly attend for a full week. Thanks to the support he received, his grades have significantly improved, and he has progressed to Grade 2.

Hamisi is just one example among the 35 vulnerable children living with HIV in 2022 who were supported by COT to achieve viral suppression - meaning that their HIV infection is under control - with the percentage increasing from five percent at the project start to 75%.

In 2022, COT supported 440 pupils with school materials and uniforms, resulting in improved attendance - rising from 20% to 85% - and better academic performance, helping them to work towards a better, brighter future.

“It is very challenging to take care of my grandchildren and son, especially having had hope that they would be the ones to take care of me at my age.”





Healthier Futures

PARTNER HIGHLIGHTS

PORTFOLIO RESULTS

8,225

PEOPLE LINKED TO SEXUAL & REPRODUCTIVE HEALTH SERVICE PROVIDERS

4,791

YOUNG CHILDREN REACHED WITH HIV PREVENTION INFORMATION THROUGH MOBILE HELPLINES

382

STREET CHILDREN TREATED FOR PERSISTENT MEDICAL CONDITIONS

2,787

PEOPLE LIVING WITH HIV SUPPORTED TO REMAIN ON ANTIRETROVIRAL TREATMENT

92%

Percentage of children testing negative for HIV at three months of age despite being born to HIV+ mothers, following enrolment on Prevention of Mother to Child Transmission treatment.

LIFE CONCERN, MALAWI

60%

Reduction in incidences of teenage pregnancy across ten schools, following peer education initiatives on sexual and reproductive health, family planning and condom usage.

THE NASIO TRUST, KENYA

608

HIV+ people, living in an area of high HIV prevalence, helped to improve their adherence to antiretroviral treatment, reducing their viral load and chances of onward transmission of HIV.

AIDS COUNSELLING TRUST, ZIMBABWE

Our Partners work to increase the number of people who know their HIV status and are enrolled on treatment, while working with younger generations to reduce their chances of becoming infected.

Increasing knowledge levels through **HIV & AIDS Education** programmes - particularly amongst younger generations - enables people to protect themselves and helps those who are unsure about their status to make the choice and get tested for HIV.

Increasing access to **Testing and Counselling** services means those who test positive are able to access antiretroviral (ARV) treatment and those who test

negative can continue to take the steps and follow behaviours that reduce their chance of infection.

With modern ARV treatment, the risk of transmitting HIV can be virtually eliminated. However, ARVs are only effective if taken regularly. Ensuring those who are living with HIV adhere to their ARV regimens and can access appropriate **Treatment and Care** remains vital in the fight against AIDS.



TESTING & COUNSELLING

IMPACT

14,185

PEOPLE HELPED

PARTNERS

17

WORKING IN THIS AREA



TREATMENT & CARE

IMPACT

11,063

PEOPLE HELPED

PARTNERS

22

WORKING IN THIS AREA



HIV & AIDS EDUCATION

IMPACT

58,045

PEOPLE HELPED

PARTNERS

35

WORKING IN THIS AREA

Listed below are some of the approaches our Partners use to help their communities reduce the incidence of HIV infection and ensure those already infected can access vital testing and health services.

- + Reducing stigma and promoting HIV testing, especially among those unaware of their status.
- + Enrolling pregnant HIV+ women in treatment programs to prevent transmission to their babies.
- + Offering family planning methods for infection prevention.
- + Increasing access to testing and counselling through mobile clinics in busy areas.
- + Supporting parents and caregivers in adhering to treatment.
- + Assisting in obtaining antiretroviral drugs for HIV+ children.
- + Training families in home care for HIV+ individuals.
- + Providing healthcare for HIV-associated diseases, including tuberculosis, for those in need.
- + Creating support groups for HIV+ mothers.
- + Educating communities on prevention, treatment, and healthier behaviours.
- + Offering confidential sexual health and HIV information through helplines.
- + Supporting rural health centres for better resource utilization.

WONA SANANA

HEALTHIER FUTURES

Across Mozambique, over 160,000 children today are growing up infected with HIV. For these children, and the families caring for them, ensuring their good health requires constant monitoring, readily available, nutritious food and access to healthcare.

Yet, almost two-thirds of the populace lives below the international poverty line; earning an income of less than \$2.15 a day (2017 US\$ PPP). As a result, the majority of families caring for HIV+ children struggle to meet their advanced needs.

For children living with HIV, their energy requirements are higher, and they often experience progressive weight loss. Infections increase the demand for nutrients, as they are vital for maintaining immunity and the functioning of body cells. When the body fails to meet this demand, malnutrition occurs. Unfortunately, malnutrition not only affects children's physical health but also has detrimental effects on their cognitive development, impacting school performance, and perpetuating intergenerational deprivation.

Working towards addressing these challenges, Egmont Partner, Associação Wona Sanana, were supported by Egmont in 2022 to implement an Innovation Project with 300 families who care for children living with HIV and affected by chronic diseases.

These families received regular health check-ups for the children to ensure their well-being. Additionally, caregivers underwent training to enhance their ability to provide optimal care. They were educated on good nutrition practices and supported with various economic interventions, including concepts like village savings and loans associations, agricultural training, and the provision of agricultural inputs such

as seeds and fertilisers to enable the production of nutritious food.

Neu, a 16-year-old student in Grade 9, has lived in Michangulene village for 12 years with her grandmother, Sara, and her younger brother, Nataniel, who is 15 years old and in Grade 8. Sadly, they lost their father and mother to HIV. Their elderly grandmother struggled to provide sufficient food and tirelessly worked growing what little crops she could. However, each harvest yielded barely enough food to meet the dietary needs of Neu and Nataniel, both of whom were on antiretroviral (ARV) treatment.

The inadequate nutrition led to them defaulting on their ARV treatment, as it is less-effective and more prone to side-effects when not taken on a full stomach, resulting in weakened immunity and more frequent illnesses.

"Neu and Nataniel did not understand why they were taking medication, and they often asked me. But I was unsure how they would react, so I couldn't explain it to them. However, the community health volunteer spoke to them and provided a thorough explanation about HIV, medication, and advised me to continue the conversation

about disclosing their HIV status. This was possible because I found it easier to talk to them", shared Sara.

After being enrolled in the project, both Neu and Nataniel started receiving therapeutic foods in the form of fortified nutritious porridge, along with home visits and regular health check-ups. Neu's weight significantly improved after joining the project and receiving the nutritious porridge. "I enjoyed the visits from my aunty (*the community health volunteer*). I could ask her questions, and her answers helped me understand why I had to take my medication."

Sara received training on providing good nutrition and care for children living with HIV and was connected to antiretroviral treatment adherence support groups for both caregivers and children. Within a short period, Neu and her brother started gaining weight, improved their treatment adherence and achieved viral load suppression; meaning their HIV was suppressed to undetectable levels in their blood.

Sara also received training on sustainable agriculture practices, along with assorted vegetable seeds and gardening tools such as hoes, watering cans, and sprayers, so that

In 2022, 127 HIV+ children were supported to gain weight and adhere to their ARV treatment.

she could better provide for her grandchildren and not solely rely on the nutritional support from Wona Sanana. An agricultural extension officer provided guidance on improving their agricultural production.

Today, Sara's family no longer relies on nutritional kits. They not only have an ample supply of nutritious vegetables for their own consumption but also produce surplus that can be sold, providing them with income to meet their other household needs. Neu and her younger brother have experienced improved health, consistently attend school, and are now part of a youth support group.

In 2022, Wona Sanana worked with 350 families headed by elderly caregivers, single parents or older siblings caring for HIV+ family members and helped them to work their way back to good health. The project ensured that the families were equipped with the skills and means to provide for themselves, safeguarding the long-term health of the children in their care. As a result of these impressive results, Wona Sanana was awarded funding to run a Core Project in 2023.



"I used to ask why I needed to take the medicines, but after learning my HIV status, the visits helped me to take them."



Safer Communities

PARTNER HIGHLIGHTS

PORTFOLIO RESULTS

4,797

PEOPLE REACHED THROUGH CAMPAIGNS TO END FEMALE GENITAL MUTILATION OR CHILD MARRIAGES

9,315

CHILDREN EDUCATED ON THEIR RIGHTS AND PROTECTIONS

2,164

COMMUNITY LEADERS, TEACHERS AND ACTIVISTS TRAINED IN CHILD RIGHTS & PROTECTION

380

CHILDREN PROVIDED WITH CARE IN SAFE HOUSES OR RE-INTEGRATED INTO FAMILY NETWORKS

32%

Percentage point reduction in the incidence of Female Genital Mutilation amongst girls (up to 14 years) in Samburu communities, from 99% to 67%.

SPONSORED ARTS FOR EDUCATION, KENYA

130

Children living on the streets of Kisumu are now rehabilitated and living with their families or within family networks.

SAINT PHILIP OF NERI COMMUNITY BASED ORGANISATION, KENYA

91%

Pass rate for girls from patriarchal and rural communities after being enrolled in 'She Dreams' clubs, that promote girls' education and male-dominated career paths, an increase from 69% the previous year.

GIRLS EMPOWERMENT NETWORK, MALAWI

Our Partners work to address the long-standing and evolving reasons that leave women and children more vulnerable to HIV infection and the effects of the AIDS epidemic.



VIOLENCE AGAINST WOMEN

IMPACT

27,200

PEOPLE HELPED

PARTNERS

11

WORKING IN THIS AREA

The AIDS epidemic has increased the vulnerability and impact of abuse and sexual violence on women and girls, who are now more likely to be infected than their male counterparts. Our Partners work across communities, schools and local groups to prevent **Violence Against Women**, particularly sexual violence which increases the chance of infection.

They also minimize the impact of violence by connecting survivors to healthcare and counselling services. Through comprehensive and sensitive approaches they assist survivors in healing and moving towards a brighter future.

Below are some of the ways they achieve this.

- + Helping girls and young women to avoid early marriage and pursue their desired lives.
- + Working to stop the practice of female genital mutilation (FGM).
- + Engaging communities to transform behaviours harmful to women and girls.
- + Supporting community groups that assist survivors of abuse and sexual violence, offering emotional and psychological support.
- + Enrolling men and boys in programmes that challenge and reshape notions of masculinity, fostering positive behaviours and more inclusive societies.



PREVENTING CHILD ABUSE

IMPACT

13,953

PEOPLE HELPED

PARTNERS

22

WORKING IN THIS AREA

Our Partners' work also focusses on **Preventing Child Abuse**. They set up community structures such as 'Child Protection Committees' and implement school-based programs to educate children about their rights, protections, and avenues to report child labour, neglect, abuse, and exploitation. Crucially, they engage both men and women, boys and girls, in efforts to transform

attitudes and behaviours, fostering fairer and safer communities.

Some of our Partners' approaches to ending incidents of child abuse and neglect are detailed below.

- + Creating school clubs and community organisations that empower children to report instances of abuse and neglect.
- + Raising awareness about children's rights and girls' right to education among older generations.
- + Assisting child abuse victims in accessing legal protection and support.
- + Diminishing incidents of child labour and exploitation.
- + Establishing local by-laws in collaboration with traditional leaders to ensure the reporting and resolution of abuse cases.
- + Collaborating with hospitals, police, and courts to ensure the availability of child-friendly services, alongside existing agencies and service providers.
- + Establishing referral networks so that children are easily able to - and know how to - confide in safe, trusted and well-known individuals such as teachers and nurses.

YOUTH NET COUNSELLING ORGANISATION

SAFER COMMUNITIES

Reducing young people's vulnerability to infection through education and financial autonomy.

Malawi is one of the poorest countries in the world, with extreme levels of poverty. Over two thirds of children in Malawi do not have access to basic facilities, including education, healthcare and sanitation.

Almost half of young girls are married or in a union before the age of 18, underage pregnancy is on the rise in some areas, and nearly one in seven women report that they have suffered domestic or sexual violence in the last year. All these factors put women and children at a greater risk of being infected with HIV, in a country where close to one in 12 adults are HIV+.

In remote districts, there is a particularly low uptake of antiretroviral treatment by young people infected with HIV, due to a lack of facilities, an inadequate understanding about the importance of treatment, and a fear of the stigma attached to a diagnosis. Health centres are often miles away and travelling to them can be prohibitively expensive.

Youth Net and Counselling (YONECO) works with people who are HIV+ across Malawi. They provide access to healthcare and health education to women and young people, support the growth of sustainable local enterprises, and promote and build supportive and inclusive community networks to better protect and uphold the rights of young women and children. Egmont first supported YONECO in 2019, funding a small pilot programme working with young people living with HIV in the remote district of Ntcheu. The pilot in 2019 was successful, and Egmont awarded greater funding for a Core Project in 2020, to run over 2 years and build on the project's sustainability.

With the funding from Egmont, YONECO was able to provide services, training and financial support to people living in rural areas, enabling them to create safer environments for women and children within their communities.

YONECO's programmes built up community understanding and support through local education and training sessions for the families and caregivers of those with HIV, while the training of local people as a network

of healthcare volunteers provided a trusted, readily accessible source of support and advice for young people. Drop-in and mobile health services in the area provided testing services, HIV medication, and advice and training in sexual health and modern family planning methods.

Economic support for local enterprise and introductions to village loan associations improved the livelihoods and nutrition of young people living with HIV, strengthening the resilience of the communities and allowing more financial independence for young people.

Nine youth savings groups saw their savings increase from £1,725 to £10,425 over the course of the project, greatly reducing the young people's vulnerability.

The combination of improved financial autonomy, better access to medical support and greater levels of education and understanding around sexual health amongst the young women and their caregivers, allowed young women to plan their families and provide for their children in safer and more supportive environments.

Funding from Egmont has allowed YONECO to build this innovative and sustainable new project in rural Malawi. With its portfolio approach, Egmont is able to support pilot initiatives of larger, well-established entities, like YONECO, that often struggle to secure funding.

Thanks to the training of local groups, the building of the local loan associations, and the income generating activities across the district, the project can continue sustainably without the need for further support from Egmont. This successful pilot has also inspired the uptake of the project initiatives across neighbouring districts, and funding for these new pilots has already been secured elsewhere.



“It is better to give someone a hook than a fish.”



FINANCIAL REVIEW

Income

Income in 2022 was £1,948,610. In addition, £77,441 was donated directly by an Egmont supporter to fund two Egmont-approved and monitored projects in Kenya, bringing the total funds raised in 2022 to £2,026,050. Egmont held one fundraising event in 2022, which raised £30,464 and introduced new supporters to the charity. Egmont continues to maximise its income through the Government's Gift Aid scheme.

Expenditure

Grants made in 2022 totalled £1,246,907 (this figure increases to £1,324,348 when the third-party direct funding of £77,441 to two Partners is included). This was an increase compared to 2021 with two more Enhanced Core grants being committed in 2022. The Egmont Trust ended 2022 supporting a portfolio of 42 Partners. Resources expended on operational costs are covered in their entirety by Egmont's Trustees and Patrons. These amounted to £395,273 in 2022, 20% of total funds raised.

Reserves Policy

The policy governing financial reserves is designed to ensure surplus monies are not held for too long; and that we are never left with so little money that we cannot, if necessary, wind our operations up tidily. It sets an optimum level of reserves within those two parameters, so we can use any variance from it as a management tool, to prompt us to consider any need to change our practice. Calculating the optimum reserve level needs to take into account that the bulk of our donations arrive in the last quarter of the year, so cash levels are impacted by that income configuration.

The reserves policy is that at the start of the year Egmont will have in hand:

- 50% of the operational budget for the year ahead, to ensure that we could wind up our affairs properly in the case of some calamity;
- enough funding to cover the follow-on years of any multi-year projects already started (any final tranches due on one-year projects under way are already recorded in the accounts as committed);

- have in hand before each of the two regular call-outs in a year are initiated, enough funding to cover 75% of the potential cost, if all the projects Partners are being invited to submit in that call-out were approved.

If any of these fails to be achieved, the Finance Manager should report immediately to F&G and Programme Committee, to consider if corrective action is needed.

Similarly, if at the start of any year funds in hand and unallocated total more than 100% of last year's grant-making expenditure, the Finance Manager will report to both Committees, to consider whether corrective action is needed, bearing in mind that any decision to increase the rate of grant spending is likely to take at least a year to show results, and maintaining the aim of disbursing any unrestricted grant funds by the end of the second financial year following their receipt.

Reserves Held

Total reserves held at the end of 2022 stood at £2,495,046. Restricted reserves of £209,700 were being held at the end of the year for operational costs in 2022 in line with Egmont's reserves policy. Foreign Currency translation fund was £132,304.

Please Note – The Egmont Trust has now transferred over to the recently registered Charitable Incorporated Organisation – Number 1186451. All reserves have been transferred over.

Foreign Exchange Policy

Donations are held in the currency received or are converted to reflect the grant making currency and operational expenditure levels. The Finance & Governance Committee makes recommendations on conversion processes, which are implemented by the Finance Manager.

Investment Policy

Egmont's primary objective is to preserve capital rather than maximise returns. The maximum balance to be held at any one time with any one financial institution is £1.5million. Balances are managed by the Finance Manager who immediately reports

exceptions to the Finance and Governance Committee. The Trustees retain the power to invest in such assets as they see fit.

Risk Management

The Trustees have identified potential risks to the work of the Trust and put in place systems and procedures to manage these. Risks include financial exposure, personal health and security of staff, reputational and programming risks and changes to the socio-political environment where we and our Partners operate. We review these risks and necessary mitigations on a regular basis. Egmont has strong local contacts in each country where we operate and benefits from their advice. Our disbursement, monitoring and reporting systems also contribute to minimising risk. They are sufficiently flexible to enable Partners to make appropriate adjustments to reflect external factors, such as exchange rate fluctuations, without undermining the basic objectives or integrity of their projects.

Conflicts of interest

Potential conflicts of interest for staff or Trustees must be declared at each meeting and are managed as appropriate to the circumstances. Applications for Egmont grants often arise from within our local networks of contacts in Africa. However, all proposals for funding are vetted and approved by the 4-member Programme Committee.

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

In 2019, it was announced by the Board of Trustees that The Egmont Trust would begin the process of incorporation towards becoming a Charitable Incorporated Organisation (CIO), having previously operated under Trust Deed since 9 February 2005, registered with the Charity Commission under the charity number 1108199. On 11 September 2019, the new CIO was registered with the Charity Commission under charity number 1186451.

On 1st January 2021 all assets and liabilities of The Egmont Trust (1108199), were transferred to the new CIO (1186451) We continue to operate as The Egmont Trust and all of our charitable aims, activities, Trustees, staff etc. remain the same.

The charity is governed by CIO Governing Document dated 11 September 2019.

Appointment of Trustees

The Trust Deed requires a minimum of three Trustees to be appointed. There are currently six Trustees. They each declare

annually that they are fit and proper to serve as a Trustee.

Trustee induction

New Trustees receive a formal induction, where they become familiar with the Egmont approach, how we work with our Partners, and what is expected from them as a Trustee in terms both of governance and raising funds for the organisation.

Trustee led sub-committees

The Board of Trustees meets quarterly to ratify decisions and set strategy. Beneath it are three Trustee-led sub-committees, which also meet at least quarterly:

- Fundraising Committee is responsible for fundraising strategy, targets and co-ordination, organising fundraising events and producing supporter communications.
- Programme Committee manages the programme strategy i.e. the assessment and selection of grant recipients, and the monitoring of project performance.
- Finance & Governance Committee deals

with the annual budget and accounts, compliance with statutory requirements, governance matters and risk issues, terms and conditions for staff, and salary levels.

The minutes of all the sub-committees are made available to the full Board of Trustees.

Egmont's Staff Team

During 2022, Egmont saw two changes to our staff roster. Jake Stoneman, Egmont's Fundraising and Communications Officer, left in March 2022 to pursue an opportunity in the international development sector. Recruitment for two fundraising posts was concluded in 2023.

Matthew Kidd, Egmont's CEO (Joint) retired at the end of the year. Having joined in early 2020, Matthew steered Egmont through the tumultuous period of the pandemic while working diligently to deliver Egmont's mission. Jeremy Evans, Egmont's Chairman, has deepened his involvement and stepped in as Executive Chairman, leading Egmont during its next phase of growth.

STATEMENT OF PUBLIC BENEFIT

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives, planning future activities and setting the grant-making policy for the year.

Egmont's supported work demonstrates public benefit in the following ways:

- Addressing the needs of some of the world's most disadvantaged children and their communities through access to HIV & AIDS treatment, and through the provision of good nutrition, poverty alleviation, education and counselling, agricultural and vocational training, and safer environments.
- Enabling local Partner organisations to work together to share information, experiences and expertise, and thereby improve their services.

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Reference and Administrative Details

Charity name The Egmont Trust

Charity registration number 1186451

Principal address 11 Cathedral Road, Cardiff, CF11 9HA

Trustees Clare Evans, Jeremy Evans (Chairman), Rachel Foster, Rory Powe, Stuart Powers, Martin Woodcock

Joint Chief Executive Officers Colin Williams OBE, Matthew Kidd

Bankers Virgin Money, 35 Regent Street, London, SW1Y 4ND

Statement of Trustee Responsibilities

The Trustees are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The Trustees 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 of the charity on and signed on its behalf by:

.....
Mr Jeremy Evans
Trustee

Auditors HSJ Audit Limited, Severn House, Hazell Drive, Newport, NP10 8FY

Investment Advisor CCLA Investment Management Ltd, COIF Charity Funds, 80 Cheapside, London, EC2V 6DZ

Independent Auditors' Report to the Members of The Egmont Trust

Opinion

We have audited the financial statements of The Egmont Trust (the 'charity') for the year ended 31 December 2022, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually

or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Financial Statements.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 38), 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 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We corroborated our enquiries of management by review of correspondence with HMRC and The Charity Commission and other regulatory bodies.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach.

Based on the results of our risk assessment we designed our audit procedures to identify and address material misstatements in relation to fraud.

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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

..... Date:.....

Mr Andrew Hill FCCA ACA DChA BFP (Senior Statutory Auditor)

For and on behalf of HSJ Audit Limited, Statutory Auditor
Severn House
Hazell Drive
Newport
NP10 8FY

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Financial Activities

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies		1,479,589	468,620	1,948,209
Investment income	3	401	-	401
Total income		1,479,990	468,620	1,948,610
Expenditure on:				
Raising funds		(23,799)		(23,799)
Charitable activities		(1,180,287)	(401,433)	(1,581,720)
Total expenditure		(1,204,086)	(401,433)	(1,605,519)
Net income		275,904	67,187	343,091
Net movement in funds		275,904	67,187	343,091
Reconciliation of funds				
Total funds brought forward		1,877,138	274,817	2,151,955
Total funds carried forward	15	2,153,042	342,004	2,495,046

Statement of Financial Activities

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies		3,047,536	627,561	3,675,097
Investment income	3	11	-	11
Total income		3,047,547	627,561	3,675,108
Expenditure on:				
Charitable activities		(1,170,409)	(352,744)	(1,523,153)
Total expenditure		(1,170,409)	(352,744)	(1,523,153)
Net income		1,877,138	274,817	2,151,955
Net movement in funds		1,877,138	274,817	2,151,955
Reconciliation of funds				
Total funds carried forward	15	1,877,138	274,817	2,151,955

All of the charity's activities derive from continuing operations during the above two periods.

Balance Sheet

	Note	2022 £	2021 £
Current assets			
Debtors	11	176,571	1,146,276
Cash at bank and in hand	12	3,018,634	1,563,349
		3,195,205	2,709,625
Creditors: Amounts falling due within one year	13	(700,159)	(557,670)
Net assets		2,495,046	2,151,955
Funds of the charity:			
Restricted income funds			
Restricted funds		342,004	274,817
Unrestricted income funds			
Unrestricted funds		2,153,042	1,877,138
Total funds	15	2,495,046	2,151,955

The financial statements on pages 38 to 47 were approved by the Trustees and authorised for issue on and signed on their behalf by:

.....
Mr Jeremy Evans
Trustee

Cash Flow Statement

	Note	31 Dec 2022 £	31 Dec 2021 £
Cash flows from operating activities			
Net cash income		343,091	2,151,955
Adjustments to cash flows from non-cash items			
Investment income	3	(401)	(11)
		342,690	2,151,944
Working capital adjustments			
Decrease/(increase) in debtors	11	969,705	(1,146,276)
Increase in creditors	13	142,489	557,670
Net cash flows from operating activities		1,454,884	1,563,338
Cash flows from investing activities			
Interest receivable and similar income	3	401	11
Net increase in cash and cash equivalents		1,455,285	1,563,349
Cash and cash equivalents at 1 January		1,563,349	-
Cash and cash equivalents at 31 December		3,018,634	1,563,349

All of the cash flows are derived from continuing operations during the above two periods.

Notes to the Financial Statements

1. Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Egmont Trust meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the

funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

Governance costs include costs of the preparation and audit of the statutory accounts, the costs of Trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if they do not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. Income from donations & legacies

	Unrestricted			Total 19 Nov 2020	
	Designated £	General £	Restricted £	Total 31 Dec 22 £	to 31 Dec 2021 £
Donations and legacies;					
Donations from individuals	200,000	1,259,573	468,620	1,928,193	1,471,067
Gift aid reclaimed	-	20,016	-	20,016	6,831
Grants;					
Donated from former entity - The Egmont Trust (1108199)	-	-	-	-	2,197,199
	200,000	1,279,589	468,620	1,948,209	3,675,097

3. Investment income

	Unrestricted funds		
	General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	401	401	11

4. Expenditure on charitable activities

	Activity undertaken directly £	Grant funding of activity £	Activity support costs £	2022 £	2021 £
Alleviation of the impact of HIV & AIDS	7,746	1,239,161	-	1,246,907	1,170,409
Grant management	-	-	172,037	172,037	149,417
Fundraising & publicity	23,799	-	99,579	123,378	104,217
Finance & governance	-	-	64,334	64,334	56,063
Office & data management	-	-	59,323	59,323	57,347
Other	-	-	11,801	11,801	5,003
Foreign currency	-	-	(72,261)	(72,261)	(19,303)
	31,545	1,239,161	334,813	1,605,519	1,523,153

5. Analysis of governance and support costs

Support costs allocated to charitable activities	Basis of allocation	Governance costs £	Finance costs £	Administration costs £	Total 2022 £	Total 2021 £
Grant management	A	-	-	172,037	172,037	149,417
Fundraising & publicity	A	-	-	99,579	99,579	104,217
Finance & governance	A	5,481	-	58,853	64,334	56,063
Office & data management	A	-	-	59,323	59,323	57,347
Other	B	-	-	11,801	11,801	5,003
Foreign currency	A	-	(72,261)	-	(72,261)	(19,303)
		5,481	(72,261)	401,593	334,813	352,744

Basis of allocation

Reference

A
B

Method of allocation

Direct costs plus allocated central costs on a time spent basis
Egmont US and Partner meetings

6. Grant-making

Analysis of grants

Analysis of grants	Grants to institutions	
	2022 £	2021 £
Alleviation of the impact of HIV & AIDS	1,239,160	1,168,211

The support costs associated with grant-making are £172,031 (31 December 2021 - £151,615).

Below are details of material grants made to institutions.

Name of institutions	Activity	2022 £	2021 £
Kenya	Alleviation of the impact of HIV & AIDS	203,693	209,185
Malawi	Alleviation of the impact of HIV & AIDS	342,054	321,000

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Mozambique	Alleviation of the impact of HIV & AIDS	115,602	107,995
Tanzania	Alleviation of the impact of HIV & AIDS	107,259	81,307
Zambia	Alleviation of the impact of HIV & AIDS	186,152	150,575
Zimbabwe	Alleviation of the impact of HIV & AIDS	284,400	298,149
		<u>1,239,160</u>	<u>1,168,211</u>

7. Net incoming/outgoing resources

Net incoming/outgoing resources for the period include:	2022	2021
	£	£
Operating leases - other assets	13,850	14,296
Audit fees	4,032	3,726

8. Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the charity during the year. No Trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9. Staff costs

The aggregate payroll costs were as follows:	2022	2021
	£	£
Wages and salaries	271,439	276,716
Social security costs	17,555	18,365
Pension costs	7,277	7,814
	<u>296,271</u>	<u>302,895</u>

The monthly average number of persons (including senior management team) employed by the charity during the period expressed as full time equivalents was as follows:

	2022	2021
	No.	No.
Charitable activities	<u>6</u>	<u>6</u>

5 (2021 - 5) of the above employees participated in the Defined Contribution Pension Schemes. No employee received emoluments of more than £60,000 during the period

10. Taxation

The charity is a registered charity and is therefore exempt from taxation.

11. Debtors

	2022	2021
	£	£
Prepayments	20,450	6,510
Other debtors	156,121	1,139,766
	<u>176,571</u>	<u>1,146,276</u>

12. Cash and cash equivalents

	2022	2021
	£	£
Cash on hand	1,453	427
Cash at bank	3,017,181	1,562,922
	<u>3,018,634</u>	<u>1,563,349</u>

13. Creditors: amounts falling due within one year

	2022	2021
	£	£
Grants and operating creditors	698,437	549,438
Other creditors	1,722	8,232
	<u>700,159</u>	<u>557,670</u>

14. Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:	2022	2021
	£	£
Land and buildings		
Within one year	12,000	12,000
Between one and five years	-	22,000
	<u>12,000</u>	<u>34,000</u>

15. Funds

	Balance at	Incoming resources	Resources expended	Transfers	Balance at
	1 Jan 2022				31 Dec 2022
	£	£	£	£	£
Unrestricted funds					
General					
General fund	1,877,138	1,249,526	(1,029,107)	(1,081)	2,096,476
Peer Partner Activities	-	-	(7,746)	7,746	-
FR Events	-	30,464	(23,799)	(6,665)	-
	<u>1,877,138</u>	<u>1,279,990</u>	<u>(1,060,652)</u>	<u>-</u>	<u>2,096,476</u>
Designated					
Woodcocks	-	200,000	(143,434)	-	56,566
Total unrestricted funds	<u>1,877,138</u>	<u>1,479,990</u>	<u>(1,204,086)</u>	<u>-</u>	<u>2,153,042</u>
Restricted funds					
Operational costs	214,774	402,000	(395,273)	(11,801)	209,700
Egmont US	-	-	(11,801)	11,801	-
Foreign Currency Translation	60,043	-	72,261	-	132,304
Waterloo	-	25,000	(25,000)	-	-
Treebeard Trust	-	29,167	(29,167)	-	-
US Foundation	-	12,453	(12,453)	-	-
Total restricted funds	<u>274,817</u>	<u>468,620</u>	<u>(401,433)</u>	<u>-</u>	<u>342,004</u>
Total funds	<u>2,151,955</u>	<u>1,948,610</u>	<u>(1,605,519)</u>	<u>-</u>	<u>2,495,046</u>

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15. Funds - cont.

	Incoming resources £	Resources expended £	Transfers £	Balance at 31 Dec 2021 £
Unrestricted funds				
<i>General</i>				
General fund	2,975,607	(1,096,266)	(2,203)	1,877,138
Peer Partner Activities	(6)	(2,197)	2,203	-
	2,975,601	(1,098,463)	-	1,877,138
<i>Designated</i>				
Treebeard Trust	50,000	(50,000)	-	-
US Foundation	21,946	(21,946)	-	-
	71,946	(71,946)	-	-
Total unrestricted funds	3,047,547	(1,170,409)	-	1,877,138
Restricted funds				
Operational costs	586,821	(367,044)	(5,003)	214,774
Egmont US	-	(5,003)	5,003	-
Foreign Currency Translation	40,740	19,303	-	60,043
	627,561	(352,744)	-	274,817
Total funds	3,675,108	(1,523,153)	-	2,151,955

The specific purposes for which the funds are to be applied are as follows:

The Operational Costs Fund - provided by Trustees and Patrons to cover the operating costs of the Charity, thus ensuring that all other income raised can be utilised on primary charitable activities.

Woodcocks Family Trust - used to support Girl Child Counselling Women Group (GCCWG), Chiedza Child Care Centre (CHIEDZA) and Rafiki Girls Centre.

The Treebeard Trust Fund - to be used to support HIV/AIDS at Vision of Hope Programme (VOH)

Foreign Currency Funds represents the gains or losses year on year upon translation of U.S. dollar bank accounts or debtors into the charities functional currency.

Peer Partner Activities - Costs associated with peer partner activities such as in-country partner meetings for shared learning, funded by the Trustees and Patrons.

US Foundation - used to support Action for Sustainable Development (ASUD).

16. Analysis of net assets between funds

	Unrestricted funds			Total funds at 31 Dec 2022 £
	General £	Designated £	Restricted funds £	
Current assets	2,799,635	53,566	342,004	3,195,205
Current liabilities	(700,159)	-	-	(700,159)
Total net assets	2,099,476	53,566	342,004	2,495,046
	Unrestricted funds			Total funds at 31 Dec 2021 £
	General £	Restricted funds £		
Current assets	2,434,808	274,817		2,709,625
Current liabilities	(557,670)	-		(557,670)
Total net assets	1,877,138	274,817		2,151,955

17. Analysis of net funds

	At 1 Jan 2022 £	Financing cash flows £	At 31 Dec 2022 £
Cash at bank and in hand	1,563,349	1,455,285	3,018,634
Net debt	1,563,349	1,455,285	3,018,634
	At 19 Nov 2020 £	Financing cash flows £	At 31 Dec 2021 £
Cash at bank and in hand	-	1,563,349	1,563,349
Net debt	-	1,563,349	1,563,349

HOW YOU CAN DONATE

Scan the QR code here or visit our website: egmonttrust.org/donate



Help vulnerable children affected by HIV & AIDS.

100% goes directly to projects in Africa.

DONATE

Our rigorous Partner selection, assessment and reporting systems ensure that we are able to direct the monies entrusted to us to where they are most needed and able to produce the greatest results. As such, we focus on linking effective and inspirational grassroots projects with donors who are seeking the greatest impact from their charitable investments, building these relationships and providing our supporters with updates on the impact of their donations.

Bank transfers and standing orders: Please use the following details: **Virgin Money, Sort Code 82-11-07, Account Number 40078611.** Standing order forms are available on our website.

Cheques: Please make cheques payable to 'The Egmont Trust' and send to **The Egmont Trust, 11 Cathedral Road, Cardiff CF11 9HA.**

Online: please visit our website, or get in touch: info@egmonttrust.org

FUNDRAISE

Our fundraisers have done some incredible things to raise money for children affected by HIV & AIDS. Whether it's climbing Mt. Kilimanjaro, cycling from one end of Madagascar to another or a fun run with friends and family, our supporters are always finding new ways to fundraise for our Partners.

THE EGMONT US FOUNDATION

The Egmont US Foundation is a US non-profit organisation, tax exempt under Section 501(c)(3) of the US Internal Revenue Code and provides a tax-efficient way for US residents to support the life-changing impact this charity is achieving through its work.

Please visit The Egmont US Foundation's website for more details: egmontusfoundation.org

If you're interested in supporting Egmont, please get in touch!

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Egmont respects your privacy! Our privacy policy is available on our website. To update your mailing preferences please contact us.

Some names and identifying details have been changed to protect the privacy of individuals. All photos in this report depict beneficiaries of Egmont's Partners and are used for purely illustrative purposes.

Egmont is a USD grant-making organisation. Figures in this document are recorded in GBP, which is ascertained from the BoE spot rate on the day the grant is committed. All figures correct as of 31st December 2022

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