



# **THE AGAINST MALARIA FOUNDATION**

(A company limited by guarantee)

Annual Report and Financial Statements  
for the year ended 30 June 2017

Charity no: 1105319  
Company no: 05175899

## Annual Report and Financial Statements for the year ended 30 June 2017

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## Report of the trustees for the year ended 30 June 2017

The trustees are pleased to present their annual report, including their Strategic Report, together with the financial statements of The Against Malaria Foundation ('the charity') for the financial year ended 30 June 2017.

### Reference and administrative details

Charity number:	1105319
Company number:	05175899
Registered & Principal Office:	10 Bricket Road, St Albans, Herts AL1 3JX.
Website:	<a href="http://www.againstmalaria.com">www.againstmalaria.com</a>
Auditors:	Crowe Clark Whitehill LLP, Carrick House, Lypiatt Road, Cheltenham, GL50 2QJ
Bankers:	Citigroup NA, Citigroup Centre, 33 Canada Square, Canary Wharf, London, E14 5LB
Solicitors:	Maurice Turner Gardner, 15th Floor, Milton House, Milton Street, London EC2Y 9BH
Accountants:	PwC LLP, 10 Bricket Road, St Albans, Herts AL1 3JX

### Directors and trustees

The directors of the charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The present and past trustees serving during the financial year and since the year end are as follows:

Elected trustees:	Arthur Boler Jonathan Calascione Stephanie Cook Guy Davis Richard Paul Lane Robert Keith Hamilton Mather Jeremy James Schwartz Peter Sherratt – Executive Chairman
Secretary and CEO:	Robert Keith Hamilton Mather
Key Management Personnel:	Robert Keith Hamilton Mather Peter Sherratt

## Structure, Governance and Management

### Governing Document

The Against Malaria Foundation ('AMF') is a company limited by members' guarantee and a registered charity governed by its memorandum and articles of association dated 9 July 2004. It is registered as a charity with the Charity Commission. There are currently eight members of the company each of whom agree to contribute £1 in the event of the charity winding up.

### Appointment of trustees

Trustees must be appointed by a resolution of a meeting of the trustees evidenced by memorandum or by written resolution signed by all trustees. Upon election, each trustee holds office for a period of three years which may be renewed or terminated early.

### Trustee induction and training

All new trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes and the strategy and financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

## Report of the trustees for the year ended 30 June 2017 (continued)

### Remuneration

The key management personnel do not receive remuneration, salaries or benefits. The remuneration levels of the Head of Technology and Programme Director are based on a) market levels b) their skills and experience and c) the importance of the roles to the effective running of AMF.

### Organisation

The charity is part of a worldwide operation which, as noted below, currently consists of eleven sister foundations all with the common goal of providing aid to relieve the suffering caused by malaria through the provision of long-lasting insecticidal nets (LLINs).

The charity held its first major fundraising activity, a global swim, in late 2005 and since then donations have been received from individuals and organisations in 162 countries. Where it is considered appropriate, for example where tax and other incentives are judged of sufficient importance to the success of the charity, the trustees have agreed the separate formal registration of sister foundations in other countries. Thus, as well as in the UK, the charity is registered in Australia, Belgium, Canada, Germany, Ireland, Italy, The Netherlands, New Zealand, South Africa and the USA. Registration in other countries may follow. Each of the sister foundations has its own governing board and, in order to ensure consistency of operation, these governing boards typically include at least two of the UK charity's trustees.

The UK board of trustees (<http://www.againstmalaria.com/Trustees>), which can have up to twelve members, administers the charity. Given the level of involvement of the UK trustees over all operations, it is considered appropriate that this report is based upon total aggregate worldwide donations and expenditure. The board meets quarterly and is advised by a finance sub-committee which oversees, amongst other things, the procurement of LLINs. A Chief Executive Officer is appointed by the trustees to manage the day to day operations of the charity.

The trustees take advice from a group made up of some of the world's leading malaria experts. This group, the Malaria Advisory Group (MAG, <http://www.againstmalaria.com/MAG>), has extensive experience both in the strategies used to combat malaria and in the implementation of malaria programmes. The MAG itself draws upon, and liaises with, a broad array of individuals and organisations to formulate advice on how money raised should be spent.

## **Objectives and activities**

The objective of the charity is to reduce the suffering from malaria.

In order to achieve its objective, the charity buys and organises the distribution of LLINs. For all significant distributions, it enters into legal agreements which set out processes which must be followed to reduce the risks inherent in development programmes. This includes a high level of data collection, entry and analysis, and oversight of programmes by local organisations. Highly transparent and accountable reporting to all donors, for example via linking every individual donation to a specific distribution, is a key aspect of the charity's approach. Malaria education for those receiving nets is one of a number of additional elements typical of all distribution programmes.

The trustees are happy to state publicly on the website, and elsewhere, that all public donations, i.e. 100% of funds received via fundraising activities or via direct donations, are used to buy LLINs. The ability to allocate 100% of these funds to buy LLINs is due to generous pro bono support received from many individuals and organisations and by private funding received to cover non-LLIN costs.

The trustees refer to the advice contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the charity's aims and objectives for the public benefit.



## Report of the trustees for the year ended 30 June 2017 (continued)

### Strategic Report

#### Financial Summary

AMF made strong progress this year. The year to 30 June 2017 saw total revenues of US\$46,942,296 (2016: US\$49,217,717), a reduction of US\$2.3m or 4.6%. This was despite the largest donation AMF received this year being US\$7.7m lower than the largest donation received in the prior year (both from the same donor), US\$22.8m in FY2016 and US\$15.1m in FY2017.

The revenues achieved were in part attributable to AMF being top ranked by the charity evaluator GiveWell for the fifth time in six years, and retaining for the sixth year in a row the same top recommended status of The Life You Can Save and Giving What We Can. A single donation of US\$15.1m million and three donations of US\$1m each are included in this total.

Excluding donations of US\$1m or more, the donation total from 'majority donors' was US\$24,774,959 (2016: US\$21,359,199) an increase on the prior year of 16%. The total number of donations received during the year was 75,280 (2016: 51,901), an increase of 45%.

LLINs granted during the year cost US\$17,381,202 (2016: US\$32,049,177). AMF's strategy continues to focus on fewer, larger distributions. This has been for several reasons:

- More funding has been available to AMF.
- Larger distributions are more efficient as long as they are managed effectively.
- By contributing more significant quantities of nets AMF can hope to influence, where necessary, data collection to demonstrate nets were distributed as intended and post-distribution monitoring to track net use and condition.
- AMF hopes to encourage others who distribute nets to look critically at AMF's procedures and results to see if they will adopt some of these practices and approach in their own distributions.

#### Results for the year

In the financial year, 10.0 million LLINs were distributed in three countries, protecting more than 18 million people, with a further 6.6 million LLINs in the process of being distributed at year end, to cover 11.9 million people. Two further distributions of 5.4 million LLINs are scheduled to start by September 2017 to protect 9.7 million people.

A further seven distributions with a need of 46.2 million LLINs were under discussion at year end, all at an advanced stage.

All distributions that took place during the year, or are planned, are listed publicly at <http://www.againstmalaria.com/Nets>.

Post-distribution check-ups (PDCUs) of net use and condition, which take place at six-monthly intervals, continued to be carried out as planned and show generally strong levels of continued net use and condition. All data are published and can be accessed via the website.

AMF has also made significant progress this year in the following areas:

- The scale of the distributions funded has been maintained. Distributions are now regularly of millions of nets with the largest to date 10.7m LLINs. We continue to assess multi-million net distributions and expect distributions of this size to continue to feature in the future.
- It has continued to develop partnerships in some of the most challenging areas to work, as judged by poverty, difficult geography and lack of infrastructure. Given the malaria burden in

## Report of the trustees for the year ended 30 June 2017 (continued)

these areas is amongst the highest in the world and the level of existing malaria prevention substantially less than the minimum needed, these partnerships have the potential to bring significant improvements in health to the local communities.

- AMF has developed relationships, at scale, in new countries (Togo, Zambia and Papua New Guinea) with the same high levels of data-driven accountability that has characterised previous AMF distributions. In these countries, the agreements with AMF have brought new activities and levels of accountability to those countries' malaria control programmes.
- In Togo and Zambia, household net-need information will be gathered using a '105% data collection' approach whereby a second set of data collectors, with no knowledge of previously collected data, visit 5% of the households already visited by the main data collectors. The 5% data overlap is compared to give an indication of data integrity. Both sets of data collectors are aware of this independent data-checking mechanism and this helps to ensure data is collected accurately. The Togo National Malaria Control Programme (NMCP) has decided to implement this approach country-wide (i.e. in all five provinces) and not just in the four provinces in which AMF-funded nets are being distributed.

In all distributions that AMF now supports, household-level data (including the name of the head of household, number of people in the household and number of nets needed) that is collected on paper, is put in electronic form (into a database) by data entry clerks thereby giving easy access for all partners to the complete set of data for the numbers and locations of nets distributed.

- AMF has maintained the same level of accountability that has been a feature of previous AMF funded distributions. Partners have committed to provide distribution verification data (so we can understand if, and report on publicly, the nets reach beneficiaries as intended) and to carry out structured and regular post-distribution net use checks (so we can track net usage to understand and help ensure nets continue to be used).
- AMF has had a strong year extending existing relationships, and developed new relationships, both with co-funders and in-country operating partners and seen an increase in willingness to embrace methodologies that deliver greater levels of accountability and transparency during net distributions.
- AMF has continued to see strong net usage levels, with data gathered during six-monthly post-distribution check-ups (PDCUs) showing sleeping space coverage on day 1 (immediately post distribution) around 95%, falling to 90-85% after 12 months and to 80-75% after 24 months.

We continued to see lower hang-up rates in a distribution in DRC and we are working with our in-country partner to identify causes and potential further actions to increase hang-up. The value of the PDCUs is that they provide this data so we can know these coverage rates.

Data also indicates that coverage levels drop more rapidly during the third year, post-distribution, and we continue to work with partners to develop approaches to maintain high levels of coverage throughout year three.

- AMF has focused on how best to tackle the potential problems associated with insecticide resistance. Resistance by some mosquitoes to the class of insecticide (pyrethroids) used in long-lasting insecticidal nets is developing and increasing in some malaria affected areas and AMF is well positioned to assist in growing the body of data on level and change over time of resistance levels given some of the locations in which we are distributing nets and our data-driven approach to those distributions and subsequent follow-up of net use.

## Report of the trustees for the year ended 30 June 2017 (continued)

In Uganda, AMF has funded 5.0 million Piperonyl Butoxide (PBO) LLINs in response to strong scientific evidence of insecticide resistance and a request to help in this way by the Ugandan Ministry of Health. 3m of these nets had been distributed by year end, with the distribution of a further 2m underway. AMF has funded an accompanying multi-million dollar, multi-year, Randomized Controlled Trial (RCT), the highest standard scientific trail to assess the effectiveness of PBO nets.

- AMF has achieved tax-deductible status for donors in several more countries during the year, namely Ireland and Denmark. Applications to other countries have been made or are in the pipeline. This status increases donations to AMF in these countries.

AMF continues to review its approach to information gathering and reporting and will continue to be as flexible as possible in this area, whilst ensuring acceptable accountability is achieved so we can be sensibly sure the nets donors fund are distributed as intended.

### Risk Management

A formal risk management strategy is in place. The trustees have identified the major risks to which the charity is exposed. This information is contained within a Risk Register that is reviewed on a regular basis, including at alternating board meetings or if specific new risks are identified, and updated as necessary. It is publicly available via <http://www.againstmalaria.com/RiskRegister.aspx>. The trustees are confident in the systems and procedures that are in place concerning both the safeguarding of assets and the minimisation of any potential impact on the charity should risks materialise. These procedures include the safeguarding of bank balances and ensuring legal safeguards are in place with regard to the procurement and provision of LLINs.

We continue to be particularly watchful of the risk of theft and other loss of nets. While the nature of the environments we operate in means we cannot eliminate this risk, we have been successful so far in controlling it and will continue to require high levels of transparency and accountability in our distribution agreements and procedures.

### Donated Services

All major pro bono supporters have remained in place during the year and have committed to continuing their support for the foreseeable future. This continuing support allows AMF to focus on raising funds for net distributions and raising awareness of what can be done to fight malaria. Private funding continues to be made available to AMF to cover unavoidable expenses. The trustees are exceptionally grateful to these generous individuals and organisations for this financial and other assistance. It is because of this pro bono support and private funding the trustees are able to guarantee 100% of public donations (aside the small number mentioned in point 3 below) buy LLINs.

### AMF Methodology

A summary of the way the charity approaches net distributions is shown below. This process reflects an initial focus on discussions with National Malaria Control Programmes and other organisations to establish net need and attitude to accountability, which precede discussions with in-country partners.

1. AMF receives funds from individuals and groups who organise fundraising activities or who simply donate.
2. 100% of these funds from the public are used to make grants of long-lasting insecticidal (mosquito) nets (LLINs).
3. Donations from a small group of donors are ring-fenced to cover any non-net costs.
4. AMF discusses with the National Malaria Control Programme (NMCP) and other parties whether there is a need for nets.
5. Co-funding discussions may take place with our funding partners.



## Report of the trustees for the year ended 30 June 2017 (continued)

6. AMF identifies and approaches organisations, potential distribution partners, that may have the resources and necessary experience in-country to participate in a net distribution. Participation may include carrying out PDCUs, other monitoring activities during the pre-distribution or distribution phase, or taking a significant management, planning or operational role in the distribution itself.

7. Advice and comment is sought as necessary from AMF's Malaria Advisory Group, made up of world leading malariologists ([www.againstmalaria.com/MAG](http://www.againstmalaria.com/MAG)).

8. If AMF approves funding for a distribution, an agreement is signed with the NMCP and with co-funding or distribution partners as necessary.

9. All details of each approved distribution are made available to the public on dedicated 'distribution pages' (<http://www.againstmalaria.com/Nets>).

10. The NMCP/distribution partner then carries out the distribution of nets, including a number of required components that are part of the overall service delivery as follows:

a) pre-distribution activity in the area to receive nets to establish: a list of beneficiaries, specifically the net need per individual household; full co-operation and involvement of local community leaders and health officers; a plan for the receipt, transport, distribution, malaria-education, delivery to all beneficiaries, hanging and post-distribution follow up of the nets;

b) the distribution itself of nets including: malaria-education delivery, signed lists showing beneficiaries who have received nets; photos and video footage of the distribution and an immediate Post-Distribution Report (PDR) reporting to AMF on key aspects and numbers for the distribution; and

c) post-distribution activity that includes an assessment of the hang-up rate of nets which triggers additional intervention if necessary, as well as longer term post distribution check-ups (PDCUs) that take place via household visits, typically every 6 months post-distribution of the nets.

11. AMF makes public on its website the relevant documents, reports and surveys for each distribution. AMF links every donation received to a specific distribution so donors can see exactly where the nets they have funded have been distributed.

(Example: <http://www.AgainstMalaria.com/Distributions/Malawi/Ntcheu>)

The charity's operating strategy of transparency, accountability and clear donor feedback, combined with the guarantee that 100% of all donations from the public buys LLINs, has proven attractive to many who wish to be involved in the fight against malaria.

Feedback from donors and independent charity evaluators remains very positive. Three leading independent charity evaluators continue to rank AMF highly. GiveWell has AMF as a top-ranked charity for the fifth time in six years recommending to donors that of their seven top-ranked charities, donations simply be made to AMF. AMF has been a top-ranked charity with Giving What We Can and The Life You Can Save for six years in a row.

Relevant links: <http://www.givewell.org/charities/top-charities>  
<https://www.givingwhatwecan.org/top-charities>  
<https://www.thelifeyoucansave.org/causes>

AMF has been selected by a number of groups, organisation and companies on five continents as a designated charity. See: <https://www.againstmalaria.com/ChosenCharityList.aspx>.

AMF has benefited from a series of articles and other media coverage during the year.

See: <https://www.againstmalaria.com/InTheMedia.aspx>

It has been repeatedly established by high level scientific trials that nets are an extremely cost-effective intervention to bring malaria rates down. AMF's policy is therefore to provide nets in countries at high risk of malaria. Once accountable and transparent processes have been agreed with the relevant authorities and partners in country, nets are purchased and provided. In addition, AMF pays non-net costs in certain circumstances where it has an understanding of how these payments will be used on a



## Report of the trustees for the year ended 30 June 2017 (continued)

detailed cost driver budget basis. This is an important part of bringing effective process to the provision of nets and subsequent follow up.

### Financial review

The results for the year are shown in the Statement of Financial Activities on page 15.

The trustees are pleased with the public reaction to AMF and its performance to date and are confident of future prospects. The 'Against Malaria' brand continues to have considerable potential for development.

#### Investment policy

The trustees consider banking arrangements are satisfactory. Reserves are held on deposit with major financial institutions to minimise risk.

#### Reserves policy

AMF maintains funds in hand to cover: i) all existing future commitments, and ii) separate funding from private donors to cover at least two years of central and governance costs. This level of reserves is held as at 30 June 2017. The policy regarding all other funds received is to utilise them quickly but even more importantly, effectively.

#### Funds in hand

AMF only commits to funding nets when funds are in hand. AMF will at times hold significant funds to ensure significant commitments can be made and met. The level of funds in hand is affected by a) AMF's strategic choice to focus on a small number of large-scale net distributions to maximise efficiency and accountability, and b) AMF's emphasis on agreeing upfront on transparent processes and on funding partners who have strong capability and commitment to accountability. Negotiations to agree distributions can therefore take a number of months to finalise.

Funds in hand of US\$54,004,159 at 30 June 2017 (2016: US\$35,429,205) consist of accumulated donations for LLINs (including designated funds for non-net costs) in excess of committed spend on LLINs of US\$53,598,461 (2016: US\$34,491,841), together with US\$254,342 (2016: US\$549,878) of private funding for administrative costs and US\$151,356 (2016: US\$387,486) of donations designated specifically for IR Research. If revenues continue at existing levels, a material level of funds could continue, reflecting a need to make commitments to fund nets between 6 to 24 months in advance of a distribution taking place.

#### AMF sister foundations

Funds received by AMF sister foundations belong to the sister foundations until remitted to the UK registered charity. The boards of the AMF sister foundations also give formal approval, at the request of AMF (UK), for funds originally belonging to them to be used for specific net distributions.

### Plans for future periods

The next year will see AMF continuing to pursue its policy of delivering on its promises of using 100% of all public donations received to buy LLINs and ensuring the 'donation to distribution' feedback to donors continues to be as effective and informative as possible. The trustees remain confident the transparency of the operation, as demonstrated through the website, makes AMF an attractive proposition to many interested in helping to fight malaria.

AMF's structure makes its contribution to the fight against malaria highly scalable. The number of nets that can be funded and distributed is only limited by funds received. Significant additional donations would not mean we have to change our approach or take on significantly more staff to ensure the nets were distributed successfully.

## Report of the trustees for the year ended 30 June 2017 (continued)

The relevant elements of the structure of the charity are:

- significant use of the internet as a mechanism for receiving donations, tracking distributions, reporting to donors and marketing;
- a lean organisation with only three full time staff, only two of whom are salaried, two of whom have worked with the charity from its inception;
- and a significant number of volunteers across many functional areas, with a number of areas, for example photo editing and translating, covered many times over;
- significant pro-bono support from individuals and corporations that has been sustained almost entirely intact for twelve years; and
- partnerships with competent distribution partners who distribute the nets.

We are now paying particular attention to larger scale distributions. We continue to consider up to 10 large potential distributions at any one time. This would allow some potential distributions to fall from review or be otherwise excluded. At the same time, it will leave enough potential distributions, to which funds can be fully allocated so as to minimise the time between receipt of a donation and its allocation to a specific distribution.

We continue to place greater emphasis on longer term planning, up to three years ahead, and are prepared to make commitments to distributions this far in the future. There are a number of benefits including improved planning and certainty for distribution partners, co-funders and National Malaria Control Programmes and the ability for AMF to continue to provide malaria prevention support in areas where it is currently working or has previously worked. This continuity allows multi-year tracking of net use and malaria data and offers the possibility of efficiency benefits, working with partners who are able to build on previous experience and learning to achieve greater efficiency in future distributions and post-distribution follow-up.

AMF will continue to be willing to fund non-nets costs where necessary, or where there are strong reasons to do so, if there are partners committed to being accountable, transparent and responsive with reporting on non-net cost expenditure.

## **Statement of Trustees' responsibilities in respect of the trustees' annual report and the financial statements**

The trustees, who are also the directors of The Against Malaria Foundation for the purposes of company law, are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Disclosure of Information to Auditors**

Insofar as each of the trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

## **Auditor**

AMF's auditor is Crowe Clark Whitehill LLP, who have expressed their willingness to be re-appointed.

The Report of the trustees, including a Strategic Report, is approved by the board of trustees and signed on their behalf by:



Robert Mather  
Trustee and CEO  
Date: 13 September 2017



## **Independent Auditor's Report to the Trustees of The Against Malaria Foundation**

### **Opinion**

We have audited the financial statements of The Against Malaria Foundation for the year ended 30 June 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies, numbered 1 to 16. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's 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 charitable company and the company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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**

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, 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 Against Malaria Foundation

Charity No: 1105319, Company No: 05175899

## Independent Auditor's Report to the Trustees of The Against Malaria Foundation (continued)

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.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Strategic Report and the Report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the trustees have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees' responsibilities statement set out on page 11, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

# The Against Malaria Foundation

Charity No: 1105319, Company No: 05175899


## Independent Auditor's Report to the Trustees of The Against Malaria Foundation (continued)

### 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Guy Biggin

Senior Statutory Auditor

For and on behalf of

**Crowe Clark Whitehill LLP**

Statutory Auditor

Carrick House

Lypiatt Road

Cheltenham

Gloucestershire

GL50 2QJ

29 September 2017

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



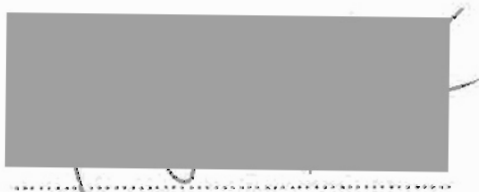
**Statement of Financial Activities (including an Income and Expenditure Account) for the financial year ended 30 June 2017**

	Notes	2017 Unrestricted Funds US\$	2016 Unrestricted Funds US\$
Income from:			
Donations	2	46,478,002	49,045,445
Investment income – interest earned		464,294	172,272
<b>Total</b>		<b>46,942,296</b>	<b>49,217,717</b>
Expenditure on:			
Charitable activities	3, 4, 9	(28,367,342)	(35,457,216)
<b>Total</b>		<b>(28,367,342)</b>	<b>(35,457,216)</b>
<b>Net income and net movement in funds for the year</b>		<b>18,574,954</b>	<b>13,760,501</b>
<b>Total funds brought forward</b>		<b>35,429,205</b>	<b>21,668,704</b>
<b>Total funds carried forward</b>		<b>54,004,159</b>	<b>35,429,205</b>

**Balance Sheet as at 30 June 2017**

	Notes	2017 US\$	2016 US\$
<b>Current Assets</b>			
Cash at bank		8,175,334	13,350,844
Current asset investments		58,058,644	50,112,096
Debtors	11	4,242,341	185,689
		<u>70,476,319</u>	<u>63,648,629</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	12	(9,320,386)	(26,816,951)
Creditors: Amounts falling due after more than one year	13	(7,151,774)	(1,402,473)
		<u>54,004,159</u>	<u>35,429,205</u>
<b>Net Assets</b>			
<b>The funds of the charity</b>			
Unrestricted funds	15	54,004,159	35,429,205
		<u>54,004,159</u>	<u>35,429,205</u>

Approved by the trustees on [add date] and authorised for issue and signed on their behalf by:



Robert Mather  
 Trustee and CEO  
 Date: 13 September 2017

The notes on pages 18 to 28 form part of these financial statements.

**Statement of Cash Flows for the financial year ended 30 June 2017**

	Notes	2017 US\$	2016 US\$
Cash flows from operating activities			
Net cash provided by operating activities	14	<u>2,325,504</u>	<u>37,947,985</u>
Cash flows from investing activities			
Interest income		<u>464,294</u>	<u>172,272</u>
Net cash provided by investing activities		<u>464,294</u>	<u>172,272</u>
Change in cash and cash equivalents in the reporting period		2,789,798	38,120,257
Cash and cash equivalents at the beginning of the reporting period		63,462,940	25,419,128
Change in cash and cash equivalents due to exchange rate movements		<u>(18,760)</u>	<u>(76,445)</u>
Cash and cash equivalents at the end of the reporting period		<u>66,233,978</u>	<u>63,462,940</u>



## Notes forming part of the financial statements for the year ended 30 June 2017

### 1 Accounting policies

#### a) Legal status of the charity

The Against Malaria Foundation (AMF) was incorporated in the United Kingdom as a company limited by guarantee (company no. 05175899) on 9 July 2004 and has no share capital. AMF is registered as a charity with the Charity Commission England and Wales (reg. no. 1105319). The liability of each member in the event of winding-up is limited to £1.

#### b) Registered and principal address

10 Bricket Road, St Albans, Herts, AL1 3JX

#### c) 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)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared under the historical cost convention.

The Against Malaria Foundation meets the definition of a public benefit entity under FRS 102.

Where it is considered appropriate, i.e. where tax and other incentives are judged of sufficient importance to the success of the charity, overseas entities have been, and are being, established. Thus, as well as the UK foundation, separate sister foundations have been established in Australia, Belgium, Canada, Germany, Ireland, Italy, The Netherlands, New Zealand, South Africa, and the USA. Other countries will follow. For the purposes of these financial statements and in accordance with SORP (FRS 102), these sister foundations are treated as branches of the charity and their results are included herein.

#### d) Going concern

The trustees have determined that there are no material uncertainties over the charitable company's ability to continue as a going concern. Accordingly, the trustees believe it is appropriate to prepare the financial statements on the going concern basis.

**The principal accounting policies which have been adopted are set out below:**

#### e) Income

Donation income, including public donations, donated services and external private funding, is recognised where receipt is probable and the amount can be measured with sufficient reliability. Related Gift Aid on public donations is recognised concurrently with the corresponding donation.

Investment income is recognised on a receivable basis. All investment income derives from premium interest-bearing deposit accounts.

**Notes forming part of the financial statements for the year ended  
30 June 2017 (continued)**

f) Expenditure

Expenditure is recognised when a liability is incurred.

- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with compliance with constitutional and statutory requirements.
- AMF makes grants of LLINs. These grants are fully recognised at the point of agreement between AMF and the recipient country/organisation to which the grant is offered.
- Charitable activities expenditure comprises the grants of LLINs and the matched cost of donated services/private funding as shown in note 3.
- The purchase of the LLINs from suppliers may occur several months after the grant commitment, due to the logistics of design, specification, production and transportation.
- The charity allocates its central costs, being the donated services and private funding as shown in the table on page 23. Central costs are allocated on a basis consistent with the use of resources.
- Non-net costs are all costs associated with a net distribution excluding the cost of the nets themselves. Non-net costs include: all shipping, pre-distribution, distribution and post-distribution costs. Pre-distribution activities include establishing accurate net need per household based on a count of sleeping spaces and existing, useable LLINs. Post-distribution activities include surveys, at 6-month intervals for a period of 3-4 years, of 5% of the nets distributed to assess net use and condition. These costs are fully recognised at the point of agreement between AMF and the recipient organisation. Ongoing costs are accrued.
- Insecticide Resistance (IR) research has as its aim establishing whether insecticide resistance is developing in the various regions. The results of such studies will determine whether further study is needed and to assess the effectiveness of PBO LLINs. These costs are fully recognised at the point of agreement between AMF and the recipient organisation. Ongoing costs are accrued.

g) Foreign currencies

The US dollar (USD) is the functional and presentational currency of the charity and all non-USD public donations are converted into US dollars, the currency in which the long-lasting insecticidal nets are purchased.

For inclusion in the Statement of Financial Activities, transactions in foreign currencies are translated into USD at average rates of exchange during the year. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates existing at the balance sheet date. All exchange differences are included in the Statement of Financial Activities.

h) Pension costs

AMF contributes to a defined contribution pension scheme on behalf of its employees. The amount charged in the Statement of Financial Activities represents the contributions payable to the schemes in respect of the accounting period.

i) Debtors

Accrued income represents the donations made to AMF before 30 June 2017 but still with the donation processing intermediary at year end awaiting the normal next week transfer to AMF and Gift Aid due. This is recognised at the settlement amount.

## Notes forming part of the financial statements for the year ended 30 June 2017 (continued)

j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Specifically, LLIN grant commitments represent the grants formally agreed and committed to by AMF to the recipient countries / organisations at the year end. Creditors are recognised at their settlement amount.

k) Current asset investments

Current asset investments includes cash on term deposits up to 12 months with financial institutions

l) Fund accounting

Funds held by AMF are unrestricted and can be used in accordance with the charitable objectives at the discretion of the trustees. The trustees commit to ensuring that all (100%) public funds received to buy LLINs, will be used for that purpose. Any necessary private funding received to cover unavoidable expenditure (administrative costs) is managed and administered separately from public donations. This is shown in note 15.

Funds are considered unrestricted as either a) donations to AMF for nets are made on the understanding the allocation of funds to specific distribution projects is at the discretion of AMF and the website's Terms & Conditions reinforce this principle; or b) where AMF agree that certain donations or fundraising will be used to fund nets for a specific distribution programme, AMF always reserves the right to use funds to buy nets for a different location. In practice, however, such decisions are infrequent and are always made with close communication and the support of fundraisers. The primary reason for a change in distribution location would be nets already (i.e. in the interim) being distributed in a specific location and there no longer being a need for nets in the original location.

Designated funds comprise unrestricted funds that have been set aside by the trustees for a particular purpose.

m) Financial instruments

The Against Malaria Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their amortised cost.

n) Taxation

The company is a registered charity and as such is entitled to tax exemption on all its income and gains, properly applied for its charitable purposes.

o) VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**Notes forming part of the financial statements for the year ended 30 June 2017 (continued)**

p) Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated in these financial statements. Where services provided to the charity as a donation would normally be purchased from suppliers, this contribution is included in the financial statements based on the estimated value of the contribution to the charity.

q) Estimates and judgements

The LLIN commitments amount is the sum expected to be paid for the purchase of nets, based on the contractual commitments made by AMF to the countries. Non-net costs commitments are the full cost of non-net costs to be incurred under agreements with NGOs. These costs will be incurred over the next three years. AMF accrues for these fully at the point of agreement.

**2 Income from donations**

	<b>2017</b>	<b>2016</b>
	<b>US\$</b>	<b>US\$</b>
Public sponsorship and donations	46,397,384	48,235,455
Donated services (pro bono support)	80,618	79,541
Private funding for central costs	-	730,449
	<u>46,478,002</u>	<u>49,045,445</u>

**3 Expenditure on charitable activities**

	<b>2017</b>	<b>2016</b>
	<b>US\$</b>	<b>US\$</b>
Expenditure on LLINs	17,381,202	32,049,177
Non-net costs	8,063,359	2,990,176
Insecticide resistance (IR) research	2,537,495	113,504
Governance costs	25,803	18,854
Central costs	340,723	209,060
Foreign exchange	18,760	76,445
	<u>28,367,342</u>	<u>35,457,216</u>



**Notes forming part of the financial statements for the year ended  
30 June 2017 (continued)**

**4 Analysis of expenditure**

Expenditure on LLINs is funded by donations from the public. 100% of donations from the public (unless otherwise agreed) fund LLINs.

Expenditure on non-net costs is covered by a small group of donors with whom AMF agrees their donations will cover these costs.

Corporate pro-bono support covers a material portion of central costs. The remaining central costs are covered by a small group of donors with whom AMF agrees their donations will cover these costs.

Included in the US\$366,526 of central costs (activities plus governance) (2016: US\$227,914) is the value ascribed to pro bono support: US\$80,618 (2016: US\$79,541).

Therefore, net of this pro-bono support, the funds required to run the charity (central costs) were US\$285,908 (2016: US\$148,373).

Insecticide resistance research costs are covered by a small group of donors with whom AMF agrees their donations will cover these costs.

All four sets of funds are held in separate bank accounts.

The following table shows further detail of central costs and pro bono support.

Notes forming part of the financial statements for the year ended 30 June 2017 (continued)

US\$	2017			2016		
	Activities	Governance	Total	Activities	Governance	Total
General office						
Donated services – audit fee	-	25,803	25,803	-	18,854	18,854
Private funding	630	-	630	5,246	-	5,246
	<b>630</b>	<b>25,803</b>	<b>26,433</b>	<b>5,246</b>	<b>18,854</b>	<b>24,100</b>
Information technology						
Donated services	43,911	-	43,911	47,273	-	47,273
Private funding (See Note 7)	176,972	-	176,972	133,656	-	133,656
	<b>220,883</b>	<b>-</b>	<b>220,883</b>	<b>180,929</b>	<b>-</b>	<b>180,929</b>
Programme support						
Donated services	-	-	-	-	-	-
Private funding (See Note 7)	108,306	-	108,306	9,471	-	9,471
	<b>108,306</b>	<b>-</b>	<b>108,306</b>	<b>9,471</b>	<b>-</b>	<b>9,471</b>
Banking support						
Donated services	10,904	-	10,904	13,414	-	13,414
Private funding	-	-	-	-	-	-
	<b>10,904</b>	<b>-</b>	<b>10,904</b>	<b>13,414</b>	<b>-</b>	<b>13,414</b>
<b>Total Central Costs</b>	<b>340,723</b>	<b>25,803</b>	<b>366,526</b>	<b>209,060</b>	<b>18,854</b>	<b>227,914</b>
Category Summary						
Donated services	54,815	25,803	80,618	60,687	18,854	79,541
Private funding	285,908	-	285,908	148,373	-	148,373
	<b>340,723</b>	<b>25,803</b>	<b>366,526</b>	<b>209,060</b>	<b>18,854</b>	<b>227,914</b>
<b>Expenditure – LLINs (see Note 5)</b>	<b>17,381,202</b>	<b>-</b>	<b>17,381,202</b>	<b>32,049,177</b>	<b>-</b>	<b>32,049,177</b>
<b>Non-net costs (see Note 6)</b>	<b>8,063,359</b>	<b>-</b>	<b>8,063,359</b>	<b>2,990,176</b>	<b>-</b>	<b>2,990,176</b>
<b>IR Research</b>	<b>2,537,495</b>	<b>-</b>	<b>2,537,495</b>	<b>113,504</b>	<b>-</b>	<b>113,504</b>
<b>Foreign Exchange</b>	<b>18,760</b>	<b>-</b>	<b>18,760</b>	<b>76,445</b>	<b>-</b>	<b>76,445</b>
<b>TOTAL EXPENDITURE</b>	<b>28,341,539</b>	<b>25,803</b>	<b>28,367,342</b>	<b>35,361,917</b>	<b>18,854</b>	<b>35,457,216</b>

**Notes forming part of the financial statements for the year ended 30 June 2017 (continued)**

**5 Expenditure – Grants of LLINs**

	2017 # Nets	2017 US\$	2016 # Nets	2016 US\$
Malawi	1,480,000	3,256,000	105,000	230,000
Togo	2,413,250	4,223,188	-	-
Ghana	-	-	2,689,100	5,609,463
Uganda	1,000	178,195	10,743,120	26,209,714
Zambia	3,023,550	6,092,433	-	-
Papua New Guinea	2,039,400	3,631,386	-	-
	<u>8,957,200</u>	<u>17,381,202</u>	<u>13,537,220</u>	<u>32,049,177</u>

AMF continues to deploy all money raised from the public to buying nets (US\$17,781,202 this year). Other payments were made from privately raised funds to cover post distribution monitoring and other activities carried out by local NGO's. These are a key part of the AMF process for accountability, transparency and improving local healthcare.

Last FY we accrued for 10,743,120 nets at a cost of US\$26,209,714. Due to changes in the cost per net and the number of nets required, the final figures were 10,744,120 nets bought costing \$26,387,910. The differences of 1,000 nets and \$178,195 appear in 2017. To clarify, the 1,000 nets did not cost \$178,195: the two numbers represent the difference between the original commitments and the actual numbers several months later.

No payments were made to individuals in the current or previous financial year.

**6 Expenditure – Non-net costs**

	2017 US\$	2016 US\$
Malawi (Concern Universal)	1,849,943	1,239,474
Uganda*	3,222,936	-
Ghana (ERD)	-	1,750,702
Togo *	965,300	-
Papua New Guinea (Rotary Club of Port Moresby)	815,760	-
Zambia*	1,209,420	-
	<u>8,063,359</u>	<u>2,990,176</u>

## Notes forming part of the financial statements for the year ended 30 June 2017 (continued)

AMF identifies partners in-country that have the experience and staff to carry out monitoring activities during the distribution and post-distribution phases and structures agreements setting out in detail the monitoring work that will be carried out. AMF funds the costs of these activities.

No payments were made to individuals in the current or previous financial year.

\* Partner details to be confirmed in the coming months as final discussions are not yet complete.

### 7 Staff costs

Staff costs cover the cost of the three individuals (two salaried) employed by the charity during the course of the year (2016: 2) and may be analysed as follows:

	2017 US\$	2016 US\$
Salaries and wages	191,239	123,629
Pension contributions	16,016	10,427
Social security costs	18,529	9,071
Programme support and expenses	59,494	-
	285,278	143,127

The remuneration of key management personnel in the current and previous year was £nil. The CEO chooses not to draw a salary. In 2017 there were two employees earning US\$84k-US\$96k (£70k-£80k at a GBP:USD rate of 1.2). In 2016 there was one employee earning US\$105k-US\$120k (£70k-£80k at a GBP:USD rate of 1.5). The employees received benefits for a money purchase pension scheme (equivalent to a 4% salary contribution from the employee and 8% from the employer).

### 8 Pension costs

AMF operates a defined contribution pension scheme. The assets of the scheme are held separately from those of AMF in an independently administered fund. The pension cost charge represents contributions payable by AMF to the fund and amounted to US\$16,016 (2016: US\$10,427). Contributions totalling US\$Nil (2016: US\$2,050) were payable to the fund at the year end.

### 9 Foreign Exchange Loss

This is not a trading loss as AMF does not trade currencies. It is an 'accounting adjustment' and represents the difference in value of non-USD balances at the end of the year, in comparison to the start of the year, where different exchange rates are in effect. This effect is comparatively small as the majority of funds are held in USD. As an example, a balance of £1,000 at the start of the financial year might be worth US\$1,500 (if a USD/GBP exchange rate of 1.50) and at the end of the year that might have changed to US\$1,400 (if a USD/GBP exchange rate of 1.40). This would result in an apparent loss of US\$100 while in fact there had been no change to £1,000 being held.

The foreign exchange loss is included in charitable activities and was US\$18,760. In the prior year, the foreign exchange loss was US\$76,445 and has been reclassified to charitable activities.

### 10 Related parties and trustee remuneration

In the current and previous year, no trustees received any remuneration or expenses and there were no related party transactions.

**Notes forming part of the financial statements for the year ended  
 30 June 2017 (continued)**

**11 Debtors**

	2017 US\$	2016 US\$
Accrued income	4,242,341	185,689
	<u>4,242,341</u>	<u>185,689</u>

**12 Liabilities**

	2017 US\$	2016 US\$
<b>Creditors: amounts falling due within one year</b>		
LLIN grant commitments	4,928,000	26,209,714
Other taxes and social security costs	6,359	7,273
Non-net costs commitments	3,208,278	599,964
Insecticide Resistance Research	1,177,749	-
	<u>9,320,386</u>	<u>26,816,951</u>

**13 Liabilities falling due after more than one year**

	2017 US\$	2016 US\$
<b>Creditors: amounts falling due after one year</b>		
Non-net costs commitments	6,045,774	1,402,473
Insecticide Resistance Research	1,106,000	-
	<u>7,151,774</u>	<u>1,402,473</u>

**14 Reconciliation of net income to net cash flow from operating activities**

	2017 US\$	2016 US\$
<b>Net income for the reporting period</b>	18,574,954	13,760,501
<b>Adjustments for:</b>		
Investment income	(464,294)	(172,272)
Increase in debtors	(4,056,652)	(69,710)
(Decrease)/Increase in creditors	(11,747,264)	24,353,021
Exchange rate movements	18,760	76,445
<b>Net cash provided by operating activities</b>	<u>2,325,504</u>	<u>37,947,985</u>



Notes forming part of the financial statements for the year ended 30 June 2017 (continued)

15 Unrestricted funds of the charity

	2017						2016					
	Total	Public Donations (for LLIN grants)	Specific Donations (for non-net costs)	Specific Donations (for IR Research)	Private Funding (for central costs)	Donated Services (est. pro bono value)	Total	Public Donations (for LLIN grants)	Specific Donations (for non-net costs)	Specific Donations (for IR Research)	Private Funding (for central costs)	Donated Services (est. value of pro bono)
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Funding, donations and sponsorship brought forward	35,429,205	34,478,521	13,320	387,486	549,878	-	21,668,704	19,909,402	1,216,879	500,275	42,148	-
<u>Income from:</u>												
Funding, donations and sponsorship	46,478,002	35,797,384	8,300,000	2,300,000	-	80,618	49,045,445	46,451,133	1,784,322	-	730,449	79,541
Investment income	464,294	455,673	5,097	1,365	2,159	-	172,272	167,846	2,295	715	1,416	-
	46,942,296	36,253,057	8,305,097	2,301,365	2,159	80,618	49,217,717	46,618,979	1,786,617	715	731,865	79,541
<b>Total Funds</b>	<b>82,371,501</b>	<b>70,731,578</b>	<b>8,318,417</b>	<b>2,688,851</b>	<b>552,037</b>	<b>80,618</b>	<b>70,886,421</b>	<b>66,528,381</b>	<b>3,003,496</b>	<b>500,990</b>	<b>774,013</b>	<b>79,541</b>
<u>Expenditure on:</u>												
Charitable activities	(28,341,539)	(17,388,175)	(8,063,359)	(2,537,495)	(297,695)	(54,815)	(35,438,362)	(32,049,860)	(2,990,176)	(113,504)	(224,135)	(60,687)
Governance	(25,803)	-	-	-	-	(25,803)	(18,854)	-	-	-	-	(18,854)
	(28,367,342)	(17,388,175)	(8,063,359)	(2,537,495)	(297,695)	(80,618)	(35,457,216)	(32,049,860)	(2,990,176)	(113,504)	(224,135)	(79,541)
<b>Total funds carried forward</b>	<b>54,004,159</b>	<b>53,343,403</b>	<b>255,058</b>	<b>151,356</b>	<b>254,342</b>	<b>-</b>	<b>35,429,205</b>	<b>34,478,521</b>	<b>13,320</b>	<b>387,486</b>	<b>549,878</b>	<b>-</b>

Note: 100% of any interest earned on public donations and 100% of any Gift Aid received is used to buy LLINs. These funds are designated as per column titles.

**Notes forming part of the financial statements for the year ended 30 June 2017 (continued)**

**16 Financial instruments**

Financial assets that are debt instruments measured at amortised costs:

	<b>2017</b>	<b>2016</b>
	<b>US\$</b>	<b>US\$</b>
Accrued income	4,242,341	185,689
Cash at bank and in hand	66,233,978	63,462,940

Financial liabilities measured at amortised cost:

	<b>2017</b>	<b>2016</b>
	<b>US\$</b>	<b>US\$</b>
LLIN commitments	4,928,000	26,209,714
LLIN non-net costs commitments	9,254,052	2,002,437
Insecticide Resistance Research commitment	2,283,749	-