

1105319
30 June 07

THE AGAINST MALARIA FOUNDATION
(formerly 'The World Swim For Malaria Foundation')

(A company limited by guarantee)

Annual Report and Financial Statements

for the year ended 30 June 2007

Charity no: 1105319
Company no: 05175899

The Against Malaria Foundation

Charity No: 1105319

Annual Report and Financial Statements for the year ended 30 June 2007

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The Against Malaria Foundation

Charity No: 1105319

Report of the trustees for the year ended 30 June 2007

The trustees are pleased to present their annual report together with the financial statements of The Against Malaria Foundation for the financial year ended 30 June 2007.

Reference and administrative details

Charity number:	1105319
Company number:	05175899
Principal Office:	10 Bricket Road, St Albans, Herts AL1 3JX.
Auditors:	KPMG LLP, 1 Forest Gate, Brighton Road, Crawley, West Sussex RH11 9PT
Bankers:	Citigroup NA, Citigroup Centre, Canada Square, Canary Wharf, Lon E14 5LB
Solicitors:	Allen & Overy LLP, One Bishops Square, London E1 6AO
Accountants:	PricewaterhouseCoopers LLP, 10 Bricket Road, St Albans, Herts AL1 3JX

Directors and trustees

The directors of the charitable company ('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:	Andrew Lewis-Pratt – Chairman (resigned and re-elected 24 January 2008) Arthur Boler Jonathan Calascione (resigned and re-elected 24 January 2008) Stephanie Cook Guy Davis Richard Paul Lane (resigned and re-elected 24 January 2008) Robert Keith Hamilton Mather (resigned and re-elected 24 January 2008) Jeremy James Schwartz Peter Robert Sherratt (resigned and re-elected 24 January 2008)
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Secretary and Chief Executive Officer:	Robert Keith Hamilton Mather
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Structure, Governance and Management

Governing Document

The Against Malaria Foundation (formerly 'The World Swim For Malaria Foundation') is a company limited by members' guarantee and a registered charity governed by its memorandum and articles of association dated 9 July 2004. The new name of the company was registered on 18 May 2007. It is registered as a charity with the Charity Commission. There are currently nine 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 – or such shorter period as may be agreed.

The Against Malaria Foundation

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Report of the trustees for the year ended 30 June 2007 (cont)

Structure, Governance and Management (cont)

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, 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.

Organisation

The board of trustees, which can have up to twelve members, administers the charity. The board meets quarterly and is advised by a finance sub-committee which oversees, amongst other things, the procurement of the long-lasting insecticidal nets (LLINs). A Chief Executive Officer is appointed by the trustees to manage the day to day operations of the charity.

Risk management

Whilst confident that risks associated with the operation of the charity are identified and manageable, the trustees are currently developing a formal risk management strategy which will comprise:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified in the strategy
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Objectives and activities

The objects of the charity are to aid the relief of suffering from malaria by the provision of funds for both the prevention and treatment of malaria and the advancement of education in the subjects of the problems and suffering caused by malaria and what can be done to alleviate them.

In order to achieve its objects the charity procures and arranges the distribution of the LLINs.

The trustees are happy to state publicly on the website and elsewhere that all public donations, i.e. 100% of funds received through sponsored swims and other fundraising activities, are used to buy the LLINs. The ability to allocate 100% of funds raised to buy the LLINs is possible because of the very generous pro bono support received from many individuals and organisations.

Achievements and performance

During the year to 30 June 2006 the charity held its first global swim raising sponsorship and donations from the general public of £719,641. Whilst the trustees were very pleased with this initial result and discussed holding another swim in the current year, it was considered more appropriate to make full use of these funds raised before mobilising resources for a second swim.

Accordingly, whilst the current year has seen additional sponsorship and donation income of £204,268, this income has come from organisations and individuals who have become aware of the charity, recognise its strengths and were keen to contribute notwithstanding that public solicitation for funds was not taking place. The trustees are very encouraged by this level of unsolicited contribution and see this as indicative of the charity's potential longer-term potential. To support this cause for optimism, the July 2007 edition of National Geographic named the charity as one of four organisations for the public to contact if interested in fighting malaria.

The Against Malaria Foundation

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Report of the trustees for the year ended 30 June 2007 (cont)

Achievements and performance (cont)

~~Part of the reason for the current success is the fact that many organisations and individuals have~~ provided pro bono support (donated services). This pro bono support allows the charity to use 100% of all public sponsorship and donation income to buy LLINs. This pro bono support was confined in the current year to ongoing administrative efforts compared to the prior year when a substantial part of this type of support was expended in establishing the technological and administrative infrastructure. The trustees are pleased to report that all major pro bono supporters that were in place in the prior year have committed to supporting the charity into 2008 and beyond.

Thus, whilst donations continued to be received in the current year, the primary concern of the trustees has been to establish new distribution partnerships, and develop those already in place. Thus, as well as the initial agreements with organisations such as the Red Cross, UNICEF and Population Services International (PSI) referred to in last year's report, there are now a total of twenty-two recognised distribution partners who the charity is working with to ensure the efficient distribution of nets. The charity funds only the procurement of nets and our distribution partners cover all costs of distribution. Total funds spent on the procurement of nets during the year amounted to £492,176 and the intention is that the time-lag between the receipt of funds and distribution of nets is reduced to an absolute minimum as distribution partnerships and processes become established.

The trustees believe the charity has now established a sound base from which to develop further. This base combines a strong technology as demonstrated through the website, a high-quality pro bono support infrastructure, clear and simple operating principles of maximising transparency and accountability, and a feedback mechanism to our donors which generates very positive reaction. The charity is recognised as a leading advocacy group in the world in the fight against malaria.

The trustees overall target remains one of getting three million people 'doing something' in the fight against malaria. This level of support becomes persuasive in dialogue with governments in achieving the overall level of funding required to eradicate this disease.

Financial review

The trustees are very pleased with the public reaction to the charity and are confident concerning future prospects. Total public sponsorship and donations raised since the inception of the charity in the two years to 30 June 2007 amount to more than £923,000 matched by expenditure on nets of over £562,000. Since the year-end, a further £240,000 has been spent on nets.

Investment policy

The trustees are satisfied that banking arrangements are satisfactory insofar as the investment income generated from cash balances is derived by the application of premium interest rates vis-a-vis the market.

Reserves policy

Private funding is received to cover those expenses which cannot be covered out of pro bono support (donated services) and the level of cash reserves in respect of private funding stands at £13,274 (2006 : £3,479). The trustees will not commit to cover these expenses beyond the amount of reserves held without the promise from supporters for further funding. Committed expenses at 30 June 2007 amount to £15,285.

The trustees recognise that the charity is dependent upon a significant level of pro bono support and are pleased to be able to report that this support is committed to by the principal supporters until at least the end of 2008. The financial value placed upon this support is estimated to run at a cost of approximately £17,900 per month.

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Report of the trustees for the year ended 30 June 2007 (cont)

Financial review (cont)

The business model of the charity is such that the trustees are confident that the charity does not need to maintain free reserves to cover funding gaps. The trustees have been able to reach this decision due to the high level of committed pro bono support enjoyed by the charity.

Plans for future periods

World Swim Against Malaria launch took place again on 5 April 2008 and coincides with the 2008 World Swimming Championships in Manchester. The objective is to have 1 million people all around the world swimming on or around that date.

To reflect the growth of the charity and our fundraising initiatives in the territories where the organisation is a registered charity, the name of the charity has been changed to 'The Against Malaria Foundation'.

The trustees are pleased with the current developments and look forward to continuing to contribute to the fight against malaria and to helping save lives in Africa and elsewhere.

Trustees responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so, the trustees are required to:

- select the most suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent, 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 maintaining proper accounting records which 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 Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and ensuring their proper application under charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Additionally, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each trustee has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

A resolution has been proposed at the Annual General Meeting that KPMG LLP be re-appointed as auditors to the charity for the ensuing year.

Robert Mather

24 April 2008

The Against Malaria Foundation

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AGAINST MALARIA FOUNDATION

We have audited the charity financial statements of The Against Malaria Foundation for the year ended 30 June 2007 which comprise the statement of financial activities including the income and expenditure account, the charity balance sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The responsibilities of the charitable company's trustees, who are also the directors of The Against Malaria Foundation Limited for the purposes of company law, for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities on page 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Annual Report is consistent with the financial statements.

In addition we report to you if in our opinion the Charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Annual Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

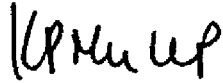
The Against Malaria Foundation

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Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the charity's affairs as at 30 June 2007 and of the charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Annual Report is consistent with the financial statements.



KPMG LLP
Chartered Accountants
Registered Auditor
Gatwick
24 April 2008

The Against Malaria Foundation

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Statement of Financial Activities (including an Income and Expenditure Account) for the financial year ended 30 June 2007

	Notes	2007 Unrestricted Funds £	2006 Unrestricted Funds £
Incoming resources-			
Incoming resources from generated funds			
Voluntary income	2		
Public sponsorship and donations		204,268	719,641
Donated services (pro bono support)		214,807	537,709
Private funding for central costs		67,436	111,525
Investment income	3	26,681	8,996
Total incoming resources		513,192	1,377,871
Resources expended			
Charitable activities	2	(690,636)	(616,264)
Governance costs		(74,482)	(110,880)
Total resources expended		(765,118)	(727,144)
Net (outgoing) / incoming resources		(251,926)	650,727
Other recognised losses	4	(45,890)	(10,079)
Net movement of funds in year		(297,816)	640,648
Total funds brought forward		652,321	11,673
Total funds carried forward	9	354,505	652,321

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The Against Malaria Foundation

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Balance Sheet as at 30 June 2007

	Notes	2007 £	2006 £
Current Assets			
Cash at bank		340,682	639,283
Debtors	7	<u>15,567</u>	<u>18,037</u>
		356,249	657,320
Creditors:			
Amounts falling due within one year	8	<u>1,744</u>	<u>4,999</u>
		<u>354,505</u>	<u>652,321</u>
Unrestricted Funds			
General	9	<u>354,505</u>	<u>652,321</u>
		<u>354,505</u>	<u>652,321</u>

Approved by the trustees on 24 April 2008 and signed on its behalf by:

Robert Mather (Trustee)

The Against Malaria Foundation

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Notes forming part of the financial statements for the year ended 30 June 2007

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the Statement of Recommended Practice, Accounting & Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act 1985.

Under the terms of the Companies Act 1985, the charity is entitled to claim exemption from the need to prepare a cash flow statement and accordingly, these financial statements have been prepared without that statement.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

b) Incoming resources

Voluntary income, including public donations, donated services and external funding, is recognised where there is certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

c) Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements. Where services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity. Donated services and facilities are analysed in note 2 on page 16.

d) Resources expended

Expenditure is recognised when a liability is incurred.

- Charitable activities include expenditure associated with the establishment and day-to-day running of the charity and include £214,807 (2006: £537,709) costs matching the value placed upon the donated services.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

e) Foreign currencies

Transactions in foreign currencies are translated into sterling in the Statement of Financial Activities at average rates of exchange during the year. Assets and liabilities denominated in foreign currencies are retranslated at exchange rates ruling at the balance sheet date and any differences are taken to the profit and loss account.

The Against Malaria Foundation

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Notes forming part of the financial statements for the year ended 30 June 2007 (continued)

1 Accounting policies (cont)

f) Fund accounting

Funds held by the charity are unrestricted and can be used in accordance with the charitable objects 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 is managed and administered separately from public donations.

2 Voluntary income and resources expended (Costs)

Voluntary income consists of:

Public donations are those funds received from the general public to be used to buy LLINs.

Donated services represent the significant pro bono support given to the charity and its value has been estimated.

Private funding is provided to the charity by philanthropic individuals and organisations in order to cover unavoidable charitable expenditure that is not met from donated services.

Resources expended consist of:

Where donated services or facilities are received, the equivalent matching cost is included in charitable expenditure. Significant pro bono support has been given to the charity and its value has been estimated at £214,807 – see table on page 16.

Private funding is provided to the charity by philanthropic individuals and organisations in order to cover unavoidable charitable expenditure that is not met from donated services or facilities.

The charity allocates its support costs as shown in the table on page 16. Support costs are allocated on a basis consistent with the use of resources.

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Notes forming part of the financial statements for the year ended 30 June 2007 (continued)

2 Voluntary income and resources expended (Costs) (cont)

Resources expended may be summarised as follows:

	2007	2006
	£	£
Charitable activities		
Purchase of LLINs	492,176	69,408
Support costs (page 16)	198,460	546,856
	<u>690,636</u>	<u>616,264</u>
Governance costs		
Support costs (page 16)	<u>74,482</u>	<u>110,880</u>

Income and expenditure may be analysed across the three income streams as follows:

	2007	2006
	£	£
Public Donations (for LLIN purchases)		
Incoming resources:		
Sponsorship and donations	204,268	719,641
Investment income	<u>26,187</u>	<u>8,688</u>
Total income in year	230,455	728,329
Sponsorship and donations for nets brought forward	<u>658,921</u>	<u>-</u>
Total funds available for use	889,376	728,329
Expenditure:		
Purchase of LLINs	<u>(492,176)</u>	<u>(69,408)</u>
Total funds carried forward for purchase of LLINs	<u>397,200</u>	<u>658,921</u>

Note: 100% of any interest earned (investment income) on public donations is also used to buy LLINs.

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Notes forming part of the financial statements for the year ended 30 June 2007 (continued)

2 Voluntary income and resources expended (Costs) (cont)

Income and expenditure may be analysed across the three income streams as follows (cont):

	2007 £	2006 £
Donated Services (estimated value of pro bono support)		
Incoming resources:		
Estimated value of donated services	214,807	537,709
Investment income	-	-
Total income in year	<u>214,807</u>	<u>537,709</u>
Estimated value of donated services brought forward	-	-
Total funds available for use	214,807	537,709
Expenditure:		
Estimated value of donated services	<u>(214,807)</u>	<u>(537,709)</u>
Total value carried forward of donated services	<u>-</u>	<u>-</u>

	2007 £	2006 £
Private Funding (for central costs)		
Incoming resources:		
Private funding for central costs	67,436	111,525
Investment income	494	308
Total income in year	<u>67,930</u>	<u>111,833</u>
Private funds for central costs brought forward	<u>3,479</u>	<u>11,673</u>
Total funds available for use	71,409	123,506
Expenditure:		
Central costs	<u>(58,135)</u>	<u>(120,027)</u>
Total funds carried forward for central costs	<u>13,274</u>	<u>3,479</u>

The Against Malaria Foundation

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Notes forming part of the financial statements for the year ended 30 June 2007 (continued)

2 Voluntary income and resources expended (Costs) (cont)

In summary:

	2007	2006
	£	£
Summary		
Incoming resources (including investment income)		
Public donations	230,455	728,329
Donated services	214,807	537,709
Private funding	67,930	111,833
Total income in year	<u>513,192</u>	<u>1,377,871</u>
Total funds brought forward	652,321	11,673
Total funds available for use	<u>1,165,513</u>	<u>1,389,544</u>
Total costs in year		
Charitable activities	(690,636)	(616,264)
Governance costs	(74,482)	(110,880)
Other recognised losses	(45,890)	(10,079)
Total funds carried forward	<u>354,505</u>	<u>652,321</u>

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Resources Expended (cont) - Allocation of support Note 2 (cont).

	2007			2006		
	Charitable activities £	Governance £	Total £	Charitable activities £	Governance £	Total £
General office						
Donated services	6,500	7,500	14,000	55,950	10,000	65,950
Private funding	-	375	375	25,334	10,189	35,523
	6,500	7,875	14,375	81,284	20,189	101,473
Finance office						
Donated services	50,000	50,000	100,000	50,000	50,000	100,000
Private funding	-	-	-	-	-	-
	50,000	50,000	100,000	50,000	50,000	100,000
Information technology						
Donated services	25,000	-	25,000	90,800	-	90,800
Private funding	57,760	-	57,760	56,997	-	56,997
	82,760	-	82,760	147,797	-	147,797
Marketing						
Donated services	27,000	-	27,000	49,900	-	49,900
Private funding	-	-	-	25,375	-	25,375
	27,000	-	27,000	75,275	-	75,275
Banking support						
Donated services	32,200	-	32,200	42,500	-	42,500
Private funding	-	-	-	-	-	-
	32,200	-	32,200	42,500	-	42,500
Video Production						
Donated services	-	-	-	150,000	-	150,000
Private funding	-	-	-	-	-	-
	-	-	-	150,000	-	150,000
Legal/professional support						
Donated services	-	16,607	16,607	-	38,559	38,559
Private funding	-	-	-	-	2,132	2,132
	-	16,607	16,607	-	40,691	40,691
TOTALS						
Donated services	140,700	74,107	214,807	439,150	98,559	537,709
Private funding	57,760	375	58,135	107,706	12,321	120,027
	198,460	74,482	272,942	546,856	110,880	657,736

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Notes forming part of the financial statements for the year ended 30 June 2007 (continued)

3 Investment income

	2007	2006
	£	£
Interest earned	26,681	8,996

All investment income derives from premium interest bearing deposit accounts.

4 Other recognised losses

	2006	2005
	£	£
Foreign exchange translation loss	45,890	10,079

The loss on translation derives from the difference between the average rate of exchange used to translate foreign currency transactions in the Statement of Financial Activities and the closing rate of exchange used to translate the foreign currency assets and liabilities in the year end Balance Sheet. Most of the foreign currency transactions are in US\$ and the £/US\$ rate has moved during the year to 30 June 2007 from £1 = \$1.82 at 30 June 2006 to £1 = \$2.00 at 30 June 2007, with an average of £1 = \$1.93 during the year. This loss does not represent a 'loss' in terms of the charity's ability to buy nets as LLINs are purchased in US\$. In fact, as the US\$ weakens, £ donations buy us more nets. The loss shown here merely reflects the fact that the US\$ year-end asset balance is worth less in £ than the 2006 comparative.

5 Staff costs

Staff costs cover the cost of the one individual employed by the charity (2006 : 1) and may be broken down as follows:

	2007	2006
	£	£
Salaries and wages	48,706	47,943
Social Security costs	9,054	9,054
	57,760	56,997

6 Related parties and trustee remuneration

None of the trustees received any fees or reimbursable expenses during the current year (2006: £30,000 fees and £5,341 expenses).

7 Debtors

	2007	2006
	£	£
Accrued income	15,567	13,037
Other debtors	0	5,000
	15,567	18,037

The Against Malaria Foundation

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Notes forming part of the financial statements for the year ended 30 June 2007 (continued)

8 Creditors: amounts falling due within one year

	2007	2006
	£	£
Other taxes and Social Security costs	1,744	4,999

Note 9 is shown on page 19.

The Against Malaria Foundation

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Notes forming part of the financial statements for the year ended 30 June 2007 (continued)

9 Unrestricted funds of the charity

	2007				2006			
	Total	Public Donations (for LLIN purchases)	Private Funding (for central costs)	Donated Services (estimated value of pro bono)	Total	Public Donations (for LLIN purchases)	Private Funding (for central costs)	Donated Services (estimated value of pro bono)
	£	£	£	£	£	£	£	£
Total								
<u>Income resources:</u>								
Funding, sponsorship and donations	486,511	204,268	67,436	214,807	1,368,875	719,641	111,525	537,709
Investment income	26,681	26,187	494	-	8,996	8,688	308	-
Funding, sponsorship and donations brought forward	652,321	648,842	3,479	-	11,673	-	11,673	-
	1,165,513	879,297	71,409	214,807	1,389,544	728,329	123,506	537,709
<u>Expenditure:</u>								
Charitable activities	(690,636)	(492,176)	(57,760)	(140,700)	(616,264)	(69,408)	(107,706)	(439,150)
Governance	(74,482)	-	(375)	(74,107)	(110,880)	-	(12,321)	(98,559)
	(765,118)	(492,176)	(58,135)	(214,807)	(727,144)	(69,408)	(120,027)	(537,709)
Other recognised losses	(45,890)	(45,890)	-	-	(10,079)	(10,079)	-	-
Total funds carried forward	354,505	341,231	13,274	-	652,321	648,842	3,479	-

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Notes forming part of the financial statements for the year ended 30 June 2007 (continued)

9 Unrestricted funds of the charity (cont)

Sterling is the functional currency of the charity but all public donations are converted into US dollars, the currency in which the long-lasting insecticidal nets are purchased.

The charity allocates its support costs, being the donated services and private funding, as shown in the table on page 16. Support costs are allocated on a basis consistent with the use of resources.

10 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.