

Mothers' Union Annual Report and Accounts 2020

RECOVERY AND RESILIENCE



WHO WE ARE

Mothers' Union is a global family committed to sharing God's love through practical action, spiritual support and emotional care.

Our 4 million members across 84 countries work together to help transform lives in the world's hardest-to-reach communities. With kindness, courage and compassionate action, we will not stop until we live in a world free of violence, poverty and injustice, where everyone can thrive.

Our door is always open. We work with people of all faiths and none. We welcome people from all walks of life to join us, and we offer whatever help is needed, to whoever needs it, whenever it is needed.

Because we believe that when people come together to solve local challenges, amazing things can happen.

in 2020, we made a difference to the lives of more than **1.6 million people**, often in hard-to-reach communities.

Her Majesty the Queen is our Royal Patron



MU leaders praying around the cross where they have put symbols of their local resources, which they will use as part of the Eagle programme. The knowledge gained will now be taken back to their individual communities.

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"Every blessing to members of the Mothers' Union who, following in the footsteps of Jesus Christ, thought of others before themselves during

this unprecedented year. Adapting rapidly to change, you responded admirably by reaching out to struggling communities, providing solutions to their unique situations and being there for them in a time of extreme need. Your commitment is, as always, much appreciated."

The Most Reverend and Right Honourable Lord Archbishop of Canterbury, Justin Welby

HOW WE WORK

One of the world's first women-led organisations, for over 140 years Mothers' Union has worked with communities in the UK and around the world to tackle poverty and social injustice.

We believe that faith and compassion have the power to transform lives. Our approach is led by people's needs. We listen to them, observe their circumstances and then we take action, together, through practical support and advocacy to overcome their challenges. All our work is undertaken by members working as volunteers in their own communities.

From parenting groups, prison ministry, literacy programmes and financial education, to marching on the streets against gender-based violence, we are driven by our faith yet work with people of all faiths and none, partnering with churches, other organisations, and governments to increase our impact.

Our focus is in transforming lives and conducting programme and policy work for long-term community transformation under three interlinked areas:

Stopping Hunger and Increasing Self-Reliance



Stopping Violence through Peace & Safety

Stopping Injustice through Gender Justice

Mothers' Union directly supported

128,000 people in the UK in 2020

WORLDWIDE PRESIDENT'S WELCOME

“Some of you will rebuild the deserted ruins of your cities. Then you will be known as a rebuilders of walls and a restorer of homes.” Isaiah 58:12

We have been humbled by how Mothers' Union members have mobilised during 2020, a year dominated by the Covid-19 pandemic.

While our programmes were delayed in many countries, our members sprang into action around the world. Some provided much-needed essential items for health workers, and educated communities about Covid-19. And others helped people who suffered most during the pandemic – domestic violence survivors, individuals facing financial hardship, and people struggling to cope emotionally.

As always, our faith has united us and carried us through a hugely challenging and stressful time. We thank God for his guidance in our work.

Like many, Mothers' Union rose to the challenge of creating virtual connections using new technologies. In many ways, this has brought us closer together as a movement. We have been spiritually nourished by our Midday Prayers on Facebook – which reached around 2,000 people a day across the world – and have had the opportunity to meet so many members online through our information-sharing and advocacy webinars.



We have, of course, faced challenges, including having to reduce our budget significantly and reorganise our staff to create a leaner yet agile support team. Thank you to everyone who contributed to our Urgent Appeal in April 2020, raising £860,000 to support our vital work.

Despite the ongoing global restrictions, we remain committed to helping the world's hardest-to-reach communities to transform their lives – by stopping violence, poverty and injustice.

Sadly, our worldwide programmes and advocacy work have been more needed than ever, particularly in tackling domestic abuse. Showing our strength and determination, we worked with the Church and other agencies to influence the UK Domestic Abuse Bill, and 86% of Dioceses in the UK took part in the 16 Days of Activism Against Gender-Based Violence.

Our founder Mary Sumner would have been proud of all the things we achieved together during 2020, as you will see in the

following pages. In the year ahead, we look forward to implementing our ongoing plans to help fill the world with love, compassion and fulfilment, and ensure equality and diversity.

With God's blessing, as always.

Sheran Harper, Worldwide President

CHIEF EXECUTIVE REPORT

What a year!

2020 was the first year of the new Strategic Plan leading up to the 150th Anniversary of Mothers' Union in 2026, based on the extensive consultation with over 200,000 members worldwide, 2017-19 (Mothers' Union Listens, Observes and Acts, "MULOA"), and approved by leaders worldwide in Kigali, Rwanda in 2019.

The overarching aims of the strategy are to work towards three key outcomes: stopping violence and building peace; stopping gender injustice; and stopping hunger and increasing self-reliance. The strategy to support members to achieve these outcomes is divided into four key areas: Transforming Lives, Nurturing Members, Building Firm Foundations and Accessing Necessary Resources.

Year 1 was to have focused on reviewing and consolidating systems, processes and structures, but this was impacted by the onset of the pandemic, and the need to focus on addressing urgent needs in members' communities, as well as managing the financial crisis.

I am delighted to say that, through the year, not only has the charity survived the acute phase of the pandemic financially, but that the opportunity was taken, based on the grassroots insights from MULOA, and connections made in Kigali, to focus collectively on the most urgent priorities, as well as to embrace new technology to increase our connectedness and effectiveness around the world. Highlights from each area of the strategy are given below.

Transforming Lives

- Around the world, Mothers' Unions used the new "MU Live" tool to capture grassroots activities, and the difference members have been making, despite the crisis. Over 714,000 lives were impacted positively by members around the world directly and 1.6 million indirectly.
- Whilst programme work was delayed in a number of countries, MU volunteer networks mobilized to educate communities around Covid-19 – correcting misinformation, and educating on prevention measures, especially hand-hygiene.
- Especially in the UK, members who were self-isolating worked with those who could get out to identify and provide for local needs, for example, providing scrub bags for hospitals, and pairs of hearts for patients and their families who were unable to visit.
- Sadly, domestic abuse was identified as a "second pandemic", and in 2020 MU raised funds for, and delivered, programmes in Uganda, Tanzania, DRC and Myanmar to raise awareness of, and counter, domestic abuse.
- MU delivered evidence for a UN report on the scale of the issue of domestic abuse, and submitted papers for the 65th Meeting of the United Nations Commission on the Status of Women (UNCSW).
- In the UK, MU worked with the Church and other agencies to influence the Domestic Abuse Bill.
- Worldwide, over 86% of Dioceses took part in 16 Days of Activism Against Gender-Based Violence, and in addition, some 56% advocated for child protection and 33% against people trafficking.
- In our programmes, 65% of Mothers' Union participants reported an increase of women's participation in decision-making in the Church or their community for over half of the participants in the programmes.



Nurturing Membership

- Zoom was used to help members stay connected in their dioceses, across countries and internationally, and twice-weekly meetings of members from over 30 countries enabled sharing and mutual support.
- Worship was moved online, with daily midday prayers led by a mixture of members and staff, each reaching on average 1,000 individuals around the world. Global services were transmitted through Facebook and YouTube, each reaching 5,000-10,000.
- The Annual Members' Meeting and a special Worldwide Council were held online.
- An extensive range of resources were prepared to support members through lockdown.
- A number of webinars were held to train and develop members, for example, sharing ideas on how to connect in a socially distanced way.
- For those who were unable to get online, midday prayers were included in the Church of England freephone DailyHope phone line, and members locally printed resources when needed to share with others, or kept in touch over the phone.

Building Firm Foundations

- Due to lockdown and the Government asking everyone to work from home if they could, all staff moved to working remotely, and staff and trustees moved to working with Microsoft Teams.
- Central staffing was reduced by one third, without a negative impact on the diversity of the team. Full use was also made of the Government Furlough Scheme.
- The senior leadership team took a 20% salary cut for seven months, the CEO for nine months and all other remaining staff a 15% cut for three months.
- A new approach was introduced for the development, monitoring and evaluation of programmes.
- The safeguarding strategy was updated, and all trustees and senior staff undertook online training.
- The Board and Audit and Risk Committee met frequently by Zoom, in order to provide guidance to management through the crisis.
- The database modernisation was completed to enable the vast majority of members in the UK to receive member publications by post direct to their homes.



Accessing Necessary Resources

- An emergency appeal was launched in record time in April 2020, which generated over GBP860,000, and rigorous cost control reduced expenditure compared to budget by GBP1.2m.
- Record contributions were received from outside the UK, despite the economic challenges.
- MU worked in partnership with other Anglican agencies to obtain financial support and provide the necessary equipping of members, including working with ERD, ACF, 5Talents, and Anglican Alliance.
- A planning application was made for the renovation of Mary Sumner House, with the aim of this generating significantly increased revenue to support the Charity. Further work has been put on hold until the post-pandemic environment becomes clearer.

As the detailed report will show, this was, in almost all respects, a year like no other.

Guidance and restrictions issued by the UK Government during the year had a dramatic impact on our regular income sources and activities. With our members unable to meet and our building closed to income generating opportunities, over 50% of our budgeted income for the year was at risk of not materialising. Fortunately, these risks were identified early and a series of planned responses was put into action, including a plea to the movement for assistance.

The movement responded to this plea in spectacular fashion through our Covid-19 Urgent Appeal, allowing us to replace a significant proportion of our lost income and buying us the necessary space to adjust our cost profile to suit the changed circumstances facing us. The result is that financial stability and sustainability were preserved in the face of the most dramatic period of economic turmoil in living memory.

Income levels from existing sources in 2021, and some time beyond, are likely to remain suppressed as a result of this crisis. We remain committed to increasing our work around the world, in partnership with others where appropriate, in order to enable our members to achieve even more. We will therefore continue to explore opportunities to increase the resources available to us to help facilitate this work.

Bev Jullien, CEO

OUR GLOBAL COVID-19 RESPONSE



2020 was a year like no other as we were all affected by the global Covid-19 crisis in some way, whether experiencing personal illness, the loss of a loved one, financial worries, or loneliness, fear and isolation.

Mothers' Union members across the globe stepped up to help others through these dark times in many different ways.

Thank you all.

Strengthening Relationships

In some ways, Covid-19 brought our members closer together and virtual communications have strengthened the organisation. We found new ways of connecting, from sharing our Midday Prayers on Facebook and via the Church of England DailyHope phone line to setting up WhatsApp groups and holding our carol service online.

Our online Thy Kingdom Come service reached up to 10,000 people around the world. By arranging virtual fellowship meetings via Zoom, we brought members from over 30 countries on all continents together to share ideas and give mutual support.



Our members in the UK crafted

23,000
essential items in 2020.

We also provided resources for people without online access. For example, many of our branches set up their own befriending telephone services.

This new form of fellowship has given us a new way of working, which we will continue to use to increase our reach and impact.

Providing Local Support, Globally

Throughout the year, our members continued actively supporting people at the heart of communities worldwide (see page 10 for examples). They drew on their faith to respond to immediate local needs, and skillfully and swiftly adapted projects that could not continue as planned.

We deliberately increased our partnership working to improve outcomes for local people during the pandemic. Many of our branches drew on skills and partnerships gained through implementing our literacy and savings programmes to educate community members about Covid-19 to help reduce its spread, while also donating hygiene packs and food parcels to support particularly vulnerable people (see page 10).

SUPPORTING PEOPLE

... in the UK during the pandemic

Some **2,025** talented members created **23,000 essential items for use in hospitals**, including scrubs and face masks for staff and patients. As well as meeting critical needs, this work supported our members' wellbeing during Covid-19 lockdowns.

For 10 years, the **Diocese of Gloucester** has supported the Rubies, 50 older women from **Eastwood Park Women's prison**, by working with a specialist organisation to deliver crafting projects. In 2020, this helped the Rubies to win four Koestler Awards for arts in criminal justice. It also gave them something fulfilling to do during lockdowns, when they were shut in their cells for 23 hours a day.

Many of our members donated **gifts of love to foodbanks or women's refuges**, supported families or homeless people, and provided Christmas gifts to vulnerable children or comforting items to care home residents. Our **Diocese of Norwich** launched the **Hospital Hygiene project** at Queen Elizabeth hospital, providing hygiene necessities to inpatients who were isolated due to Covid-19 restrictions.



Photo: Our Caerphilly branch knitted squares to form a Christmas tree, and then blankets for local homeless people.



Photo: In Llandaff, our members knitted hearts for Covid-19 wards. Patients and their families received matching hearts, helping them to feel connected while they were apart.

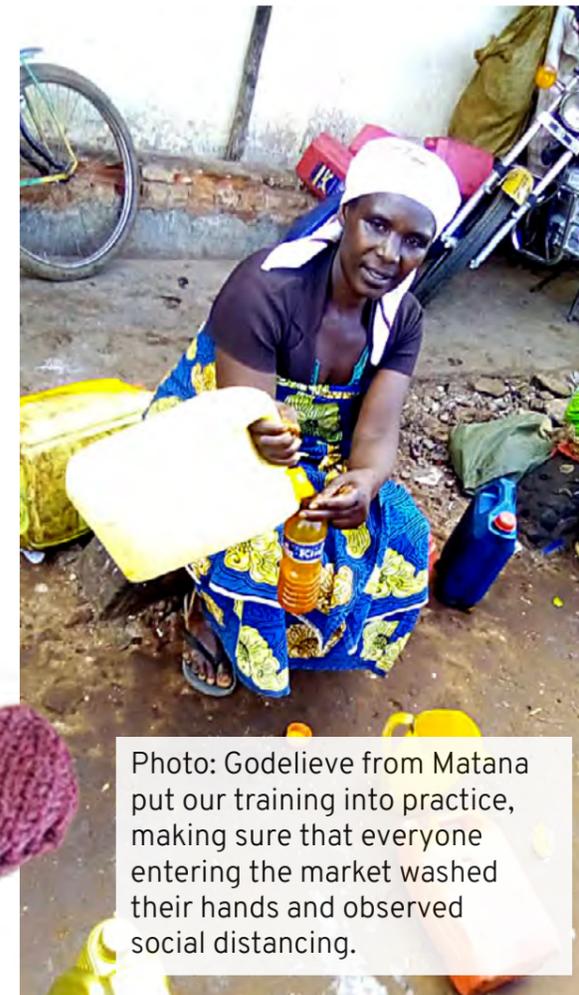


Photo: Godelieve from Matana put our training into practice, making sure that everyone entering the market washed their hands and observed social distancing.



Photo: Nurses holding up bags.



Photo: Gender-based violence awareness training in Myanmar.

... around the world

In **Tanzania**, many people believed herbal remedies would ward off Covid-19 or disregarded its seriousness. Our members reached **13,248 people with information on Covid-19 prevention**.

In **Burundi**, we partnered with Episcopal Relief & Development, Development Services International and other organisations to help **over 30,000 people** recognise Covid-19 symptoms and adopt social distancing and hygiene measures to **reduce transmission**. We also provided **over 1,000 hygiene kits** to vulnerable people.

In **South Africa**, our **Ncambedalana Archdeaconry** has supported a **rehabilitation centre for people living with HIV** for over 20 years. In 2020, it successfully lobbied for governmental support for this vulnerable group and ran a **gardening project to grow nutritious food and provide stress relief** for the residents.

In **Australia**, our branches transferred their **Families Equip parenting courses** online, attracting up to **100 participants** per session. Around the world, many of our members' **skills development courses and community services** also moved online, to **reach people safely at a challenging time**.

In **South America**, our AMARE group consisting of MU members in **Argentina and Uruguay** started to hold **daily midday prayers** to encourage and support their communities at the onset of lockdown. The group also organised radio broadcasts in Spanish and Wichi (one of the local languages in the north of Argentina) twice weekly to **reach communities without mobile phones** to inform them of the latest Covid-19 recommendations and to share uplifting hymns, songs and readings.

GENDER JUSTICE

Standing up for Gender Justice - tackling cultural taboos and promoting equality between men and women - has become an increasingly significant part of Mothers' Union's work in recent years.

The World Health Organisation reports that around 1 in 3 women experience physical or sexual violence, a finding echoed by Mothers' Union leaders in different communities. Sadly, our work with vulnerable women and girls became more important than ever during the year as Covid-19 led to a second 'silent or shadow pandemic' as global lockdowns forced millions of people to remain at home intensifying domestic violence and abuse worldwide, according to UN Women and other organisations.

In addition, increased poverty in low-income countries due to the pandemic meant that many girls had to leave school to start work or enter into early marriage to provide much-needed money for families.

Throughout 2020, gender justice was at the forefront of much of our work around the world. It was a prevalent theme during our weekly (later moving to bi-weekly) virtual international leadership meetings. We heard horrific first-hand accounts, debated key issues and devised solutions such as using radio campaigns to raise awareness of women's rights in Uganda (see page 14).

We ran gender justice programmes in Uganda, Myanmar and the Democratic Republic of Congo to break the cycle of gender-based violence including emotional, physical and economic abuse. All of our work in this sensitive area takes place with the full consent and participation of women in the communities affected, including them in decision-making processes, running campaigns based on what they want and need, and giving them the confidence to speak out against injustices.

86%

of MU respondents in a worldwide survey took part in our 16 Days of Activism against Gender-Based Violence campaign.



Worldwide, a shocking 1 in 3 women experience physical or sexual violence at some point in their lives.

(World Health Organisation).

Mothers' UNION
#NoMore1in3
End abuse and violence now

OUR GENDER JUSTICE WORK IN ACTION



Our annual global members' survey highlighted improved self-confidence among women, increasing awareness of their rights and greater awareness of domestic violence among 50% of the people they support.

Supporting Women's Refuges in the UK

Over 3,000 women escaping domestic violence and living in refuges were supported by our MU branches across the UK. Our members provided them with food, toiletries, toys, household items and knitted clothes to help them during their stay or as they set up a new home with their children.

Awareness-raising campaigns

Mothers' Union members in **Uganda** produced **radio shows and TV programmes to raise awareness of gender-based violence** and help to challenge the cultural practices of keeping silent and ignoring perpetrators.

As a direct result of one of the radio programmes, someone came forward to report a pastor who had trafficked 25 girls below the age of 18, violating their rights by keeping them captive, withholding food and sexually abusing them. Our local branch helped return the children to their parents, offering the families post-trauma support and ensuring the police arrested the pastor.

Another woman told the story of being verbally abused by her husband and shared how she was so distressed that she headed to the nearest river with her children, and was determined to throw herself in. However, she remembered the words of Dr Alice Mwesigwa, the Diocesan Mothers' Union President of Ankole from the radio programme and called her. Dr Alice started mediating between the woman and her husband, and the two were reconciled with support from the Fathers' Union.

"Mothers' Union gave us counsel, words of wisdom and encouragement. They prayed for us and we thank God."

A woman from Uganda who, with our support, overcame domestic abuse and suicidal thoughts and has managed to rebuild her marriage.



Our work in Uganda inspired **100 women to take up leadership positions** to speak about and campaign for their communities, building their confidence, achieving results for themselves and serving as important role models for women, men, boys and girls alike. We also **trained 2,000 church leaders and Mothers' Union representatives in conflict resolution** to help rebuild relationships and families affected by gender-based violence and abuse.

With our support, **698 women** in the country **received counselling or were empowered to report domestic or sexual violence**. Five offenders have already been convicted thanks to our work with police and local communities. Unfortunately, even young girls can be victims of gender-based prejudice and violence. We ran **over 100 parenting sessions** on how to have peaceful homes and conducted youth workshops on reporting gender-based violence.

Our similar Gender Justice campaign in Myanmar reached **over 500 people**. In the **Democratic Republic of Congo** we held community counselling sessions for people affected by gender-based violence. We were pleased to see an increase in both awareness of this issue, and support for women survivors to rebuild their lives.

Tackling harmful misconceptions

We carried out gender-based violence awareness training for **545 people in Myanmar** to help more communities to understand girls' rights and how best to support them. A further **2,000 people** benefitted from the programme having received information from those directly trained.

"The training has brought a new perspective [that] everyone can do house chores and it shouldn't just be the responsibility of the female. I will now bring up my son and daughter the same to be responsible, strong and healthy."

A woman from Myanmar who participated in one of our parenting courses that covered girls' rights and harmful gender norms.



PEACE AND SAFETY

Around the world, Mothers' Union works to bring peace and safety to communities affected by conflict and other threats to their safety. We help people to recover from their experience, and endeavour to prevent future harm.

Closely linked to poor education, violence commonly relates to family conflicts over land, marital and parenting challenges, and finances. Our approach to conflict resolution often involves talking and praying with community members to work through issues and working with parents to build better relationships with their children to prevent future violence.

We also run trauma healing groups to help communities feel safe and rebuild trusting relationships after significant events such as conflict or natural or man-made disasters that caused them to lose their homes or livelihoods.

Two MU leaders now able to read the Bible because of our literacy programme and now being trained for the Eagle programme and will take it to their communities.

Our Peace and Safety Work in Action

Following **Cyclone Idai** in Mozambique, **Malawi and Zimbabwe**, which killed over 1,300 people at the end of 2019, we implemented **trauma healing sessions**. We **trained 50 people to hold workshops** to help their neighbours manage their grief and healing, along with inspiring Bible passages and stress-relieving breathing exercises. By March 2020 over 15 trauma healing groups had been set up, 228 hours of group sessions taken place with 635 participants completing the sessions leading to 2,540 indirect beneficiaries as each participant is encouraged to share learnings with their household and community.

The Covid-19 pandemic put 2 million more girls at risk of **female genital mutilation (FGM)**, and 10 million more **at risk of child marriage** – both forms of gender-based violence. In **Sudan**, where FGM is still common, we are working with communities to educate them about women's rights, and the physical and emotional harm associated with this practice.

Across the globe, we achieve significant positive change for people by using our local presence and knowledge to support individuals and families. In **South Africa**, for example, our members helped to reconcile a family whose father had murdered a young girl. Mothers' Union members prayed with the family, supporting them through their ordeal. They also managed to persuade the father to hand himself into the police, to reduce the danger to others.

In **Uganda**, a woman was facing abuse from her husband because he doubted that one of their children was his. Following a Mothers' Union programme focused on breaking cycles of domestic violence, the couple took a DNA test that proved the husband was the father and helped to resolve the family's long-term conflict.

In **Mthatha, southern Africa**, our work helped educate local people about albinism. By tackling misconceptions about the condition, we stopped some parents from thinking that having a child with albinism is a curse and potentially ostracising those with the condition.



"I'm a mother with children affected by albinism. We were invited by the Mothers' Union to share our stories and receive sunscreens as we are prone to chapped skin and cancer. We inform people that we are normal, the only difference is our skin colour."

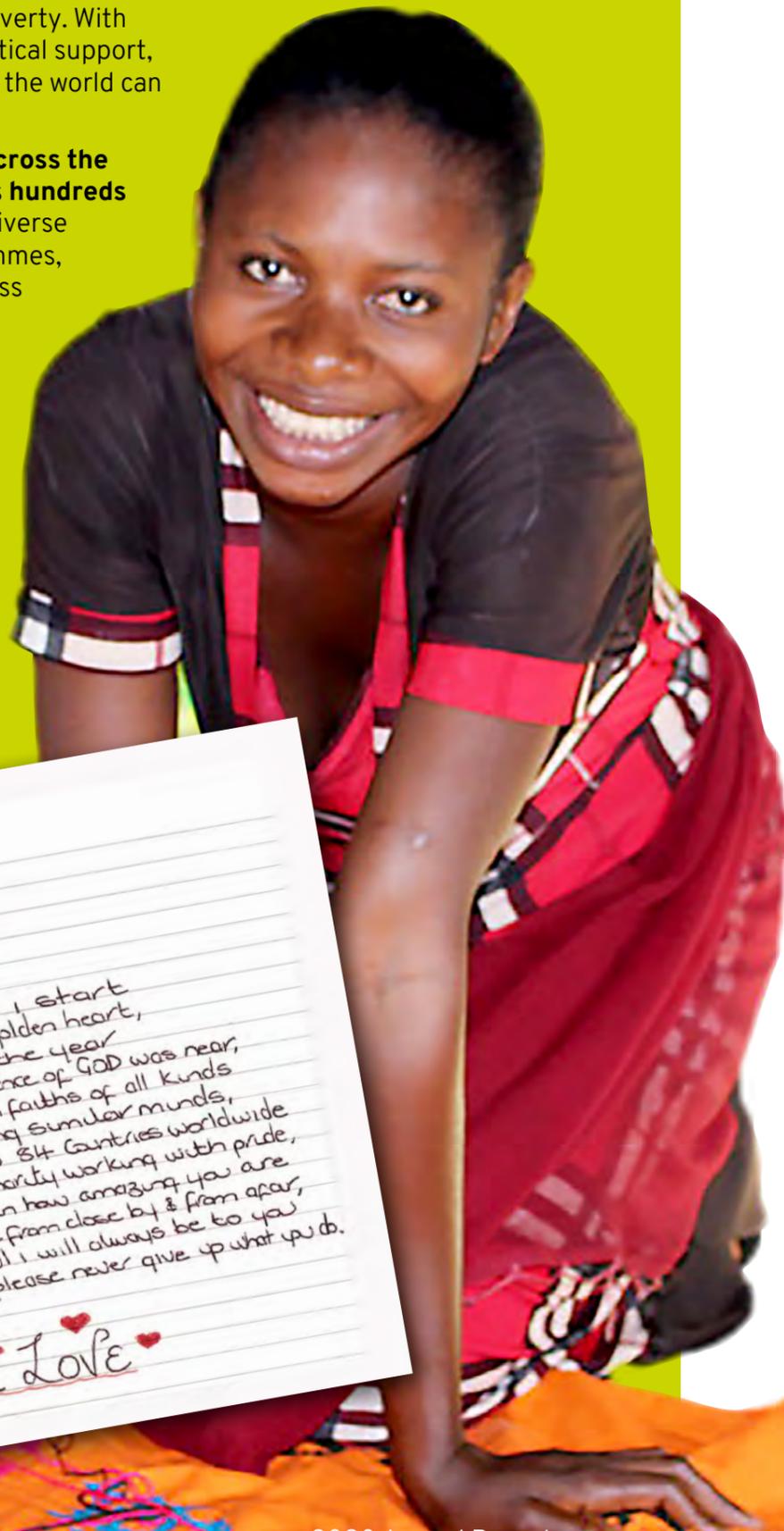
Nolundi from Mthatha who helped us to tackle misconceptions and prejudices around albinism

SELF-RELIANCE

Building self-reliance is a key to escaping poverty. With access to the right education, skills and practical support, Mothers' Union believes more people across the world can improve their own lives.

We run **11 centrally-funded programmes across the world** to help people build self-reliance, plus **hundreds of diocesan-led projects** reaching hugely diverse communities. These include literacy programmes, saving and credit schemes, providing business start-up support, mentoring or training, and helping people back on their feet after experiencing homelessness or domestic violence.

Our literacy programme enables women to gain knowledge and confidence, increase their status and improve dialogue and respect between women and men. This is a win-win situation: women are more valued and their quality of life improves because of their new skills.



OUR SELF-RELIANCE WORK IN ACTION

Metamorphosis

In the UK, we equipped 35 people to support their local community by adapting and piloting Metamorphosis online during lockdown. Members built their confidence through prayer and reflection with listening and research learnt to use new tools to engage with their community and develop new initiatives. In Gosport (the Diocese of Portsmouth) this resulted in a church offering their hall and volunteers for a homeless shelter, and a holiday hunger initiative. Schemes had to change with the pandemic but the group found creative ways to continue supporting families and homeless people.

Many of our MU dioceses used 2020 to rethink their programmes, for example, expanding support, such as parenting groups, into online spaces.

Reimagining Away From It All (AFIA)

Our much-loved AFIA programmes had to be re-imagined during Covid-19 lockdowns but our resourceful members worked hard to adapt activities. Incredibly, **2,026 people** (a similar number as in previous years) were still able to benefit from the scheme in 2020. Our members all work closely with their local networks to identify and support the people who are most in need.



The **Diocese of Newcastle** arranged **short breaks in caravans** – where it was easy to social distance – for domestic abuse survivors. The holidays gave women and children respite and something to look forward to, while also strengthening Mothers' Union's relationships with five refuges. The **Dioceses of Chelmsford and Coventry** offered **days out for key workers**, **Swansea** offered **activity boxes for families**, **Derry and Raphoe** in Ireland launched a **Pandemic Fund** that offered people in need supermarket vouchers or food hampers, and other groups provided much-needed experience days.

Threads of Blessing

Through our Threads of Blessing project, 650 women across 13 Ugandan dioceses received literacy and skills training and were helped to overcome engrained cultural practices that encourage girls to marry, stay at home and have children. This project brings women together to produce unique textile art representing local culture, which is then sold to generate income so they can pay school fees, start a business or buy livestock, improving their lives, confidence and life chances.



Responding to Immediate Need

In Australia, Mothers' Union Sydney sprang into action to help people affected by bushfires and floods in early 2020, donating funds, clothing and blankets to families. Members also sent financial aid to people in need after the explosion in Beirut in August.

Meanwhile, our branch in the Diocese of Mpumalanga, South Africa, supported the Malehohonolo Young Disabled Centre recruiting a nurse and health specialists, training care givers and volunteers, and strengthening governance systems.

In the UK, many members helped prisoners to feel loved and maintain their wellbeing by sending cards to show prisoners they are not forgotten or distributing replacement reading glasses in prison during the pandemic such as in HMP Forest Bank (Manchester).

"Once again, by sending us an Easter card, you show us detainees a small act of kindness. We are not forgotten, it says, and there is still hope in our lives. Thank you very much [for] these cards and your most generous Christmas pack of goodies. I'm sure I speak for many souls here when I say we are very grateful and very touched."

A thank you letter from a prisoner to our Diocese of Bristol.

2,026 individuals benefitted from AFIA in 2020.

Over two decades, we have trained **900 literary facilitators** in Burundi helping **over 100,000** women and men to become literate and numerate as well as gain practical life skills and increased confidence and self-esteem.

Since 2014, we have enabled over **32,500 people**, predominantly women, to join community savings and loan groups, helping them to set up businesses, educate their children and feed their families.

65% of Mothers' Union branches have reported an **increase of women's participation in decision-making** in the Church or they're following our programmes.





Uganda Eagle Process co-ordinators 2020

THE EAGLE PROCESS IS FLYING

In 2020, 29,102 new people benefited directly from Mothers' Union-funded international projects.

Much of our work empowers women to start new initiatives to support themselves and their families through projects such as the Eagle Process and VICOBA (Village Community Banks).

Trainers share knowledge and Bible passages and enable participants to use and share resources.

Many groups have begun shared farming activities or developed small businesses to earn income or formed savings and loans groups. Loans of less than US\$5 enable members to buy items such as flour to make snacks, or seeds to grow crops. Sales profits enable people to buy equipment or livestock to generate additional income and feed their family, educate their children and contribute to the Church.

“Before, I cultivated with [a] very small tool. I didn't know how to save. But one day I heard about Eagle Process and had a vision to use local land – a God-given resource – to generate an income for myself.”

Wzo Wanyi Omod from Gambella, Ethiopia, a widow with two daughters who has started to cultivate some land with sorghum and maize, using the profits to pay for her children's education.

Since adopting the Eagle process, Mothers' Union in **Gambella, Ethiopia** has reported a reduction in poverty, improvements in overall health outcomes and even fewer preventable childhood deaths due to income generating projects and new approaches to hygiene and sanitation.

In **South Ankole, Uganda**, Eagle group members trained **40 teenage mothers in hairdressing and tailoring skills**, enabling them to generate their own income.

Through financial literacy training and micro loans, our savings programme in South Sudan helps parents to improve family nutrition, pay school fees and access healthcare. Across **255 groups, participants saved US\$300,000** in 2020.

In **Tanzania, 26,720 people also benefitted** from this programme. In just three years, **1,150 women have built the confidence to take on leadership roles** in their local churches and communities!

97%

of our members have reported an **increase in women's household decision making** about money since joining the VICOBA scheme.

By relieving financial pressures, the project has reduced family conflicts. It has also enabled participants to support vulnerable community members, including by donating clothes, food and soap.

“Since being a member I am more [financially] independent. I can do anything, like paying my children's school fees or paying for medication when they are sick. I don't have to rely [only] on my husband anymore.”

A savings group member from Mpwapwa diocese, Tanzania.

Helen from Zanzibar and her group have used the additional income from their small businesses to access national health insurance for all members and their families. Now, they can afford healthcare when anyone falls ill.

One Eagle group in Kenya has been keeping bees, harvesting honey and selling it as far afield as Nairobi!

NURTURING MEMBERSHIP

To support our members during the pandemic, the central Mothers' Union team reduced in size by one third, while ensuring that our essential services continued. We cut £1.2 million of costs, including staff voluntarily taking cuts in salary, and taking advantage of the UK Government's Furlough Scheme. We now have just **27 paid staff supporting 4 million members**.

Of course, our members rallied around and our Urgent Appeal raised a **record-breaking £860,000** to replace lost income from cancelled income generation activity. **Thank you** to everyone who has contributed to our fundraising, and to all of our hardworking staff – past and present.

Supporting members through the global crisis by using virtual media and increasing connectivity was a priority during 2020. We also updated our safeguarding strategy, modernised our member database so we can now mail directly to our members in the UK and boosted our online training and access to resources – all of which will make us a much more cohesive and agile organisation.

“The Mothers' Union did really well in lockdown, on the ground helping people and keeping people in touch.”

Margaret, an MU member, from Leicester, UK



GLOBAL ACTIVISM

As part of our advocacy work, many members joined us for the international **16 Days of Activism Against Gender-Based Violence** campaign to draw attention to the alarming global rates of domestic abuse and calling for an end to gender-based violence.

We distributed over **400 survivor manuals** from the Christian charity *Restored* to refugees across the UK. And many of our branches held marches, vigils, reflections, prayers and church services to support the campaign. We also made a noise on social media, engaging many young people.

Our first **Global Day of Action** on 5 December brought our diverse members across the world together to push for a common goal – an end to gender-based violence. Members painted lips with red crosses or held placards, while our **campaign video was watched 14,000 times** and many attended our virtual **Cup of Tea Reflection**.

We submitted a statement to the UN calling for all member states to finance and fully implement existing international agreements affecting the rights of women and girls, including the Sustainable Development Goals. We also highlighted the importance of involving faith-based organisations as key partners to transform culturally embedded gender injustices and facilitate change.



Mothers' Union is a diverse and inclusive global movement. Much of our work around the world involves supporting women and marginalised people to overcome the disadvantages they face, and working with communities to dismantle these barriers.

5,000 of our members viewed our **Global Day Cup of Tea Reflection** online.



Members from **13 countries** took part in our **Global Day of Action** to end gender-based violence.

In response to the Black Lives Matter campaign, we issued a statement saying how we stood in solidarity with everyone who faces discrimination of any form, including based on race. We called for an end to injustice and systemic discrimination, encouraging our members to reflect, pray and unite to help find a peaceful, compassionate and lasting solution to end all forms of racism, wherever it is found.

“I am hoping that legislators will listen and enact laws to guarantee equality for everyone under the law, and bring lasting peace. As a minority, this is my ardent hope.”

Annie Beckley, Mothers' Union member, USA

We joined the /Together Coalition in July to thank everyone who helped get us through the initial months of the pandemic. We are looking forward to supporting the coalition in its mission to build a kinder, closer and more connected society.

14,000 people watched our **virtual protest video** calling for an end to gender-based violence.

86% of our MU dioceses worldwide were involved in our **16 Days of Activism Against Gender-Based Violence** campaign.



FUTURE PLANS

The theme for 2021, within the framework of the 2020-26 plan as an organisation, is “to survive and thrive”. This recognises that there is work to be done to rebuild as Covid-19 restrictions in the UK reduce, but the pandemic continues around the world – and also that the pandemic has created the opportunity for us to work differently in future.

Transforming Lives

- To continue those programmes delayed through the pandemic, using the performance management system to monitor, evaluate and report.
- To obtain funding for, and begin, new programmes addressing the three key outcomes: stopping violence and building peace; stopping gender injustice; and stopping hunger and increasing self-reliance, with a particular focus on programmes to reduce gender-based violence.
- To start to move from “16 days to 365 days” of activism against gender injustice.

Nurturing Membership

- To use the theme, “rebuilding hope and confidence” with the membership, to help them, and the communities they serve, to move beyond the immediate crisis of the pandemic.
- To continue virtual communication across all levels and countries within the movement.
- To further develop online resources, to build resilience through and beyond the pandemic.
- To launch the new membership publication, and deliver direct to each member in the UK.
- To continue to develop the programme of virtual worship and member engagement started in 2020.

Building Firm Foundations

- For a core number of pilot countries, to support them to undertake an audit of capabilities across all areas of governance and programme management, and to help them form plans to address any issues, including identifying local partners to support them.
- Specifically for safeguarding, to aim to recruit an external expert to join the Board, to ensure access to the necessary level of expertise.
- To organise the Triennial Worldwide Board elections, using an independent third-party website.
- To commission and implement a modern, fit for purpose, finance system.
- To continue to improve the current database, and scope requirements for a modern replacement, as soon as finances allow.
- To nurture and develop an agile and flexible staff team.
- To move the retail fulfilment to an outsourced provider.

Accessing Necessary Resources

- To generate a net surplus that strengthens the reserves against future uncertainties.
- To develop a pipeline of funding proposals to ensure that all programme work is “focused and funded”.
- To start to rebuild the revenue lost from the conferences business due to building closure during lockdowns.
- To progress planning permission for the Mary Sumner House project.
- To continue to support members in the UK in their fundraising.
- To complete the process of MoUs for funding workers outside the UK.
- To strengthen and further develop partnership working.



FUNDRAISING

During 2020, the planned fundraising activities were adjusted to respond to the pandemic. This saw a reduction in the number of in-person event-based activities but an increase in online engagement and most notably a highly successful Urgent Appeal which was very generously supported by the membership.

In line with prior years, Mothers’ Union undertook fundraising activity with members, dioceses and individuals via presentations, online campaigns, email and direct mail. We have not engaged any third parties to fundraise on our behalf during this period. We are proud to be members of the Institute of Fundraising and to have registered with the Fundraising Regulator and committed to abide by their Fundraising Code of Practice, which covers various aspects of fundraising. Procurement and monitoring systems were reviewed to ensure they complied with both the Fundraising Regulator Code of Conduct as well as Mothers’ Union’s values and policies.

We have worked hard to ensure that all staff are aware of, and sensitive to, data protection issues in their day-to-day work, embedding this into Mothers’ Union and using 2020 to dramatically improve the quality of our data. The charity has reviewed and enhanced its systems and process around safeguarding during the year, which in turn has been applied to fundraising to protect vulnerable donors. In 2020, we reviewed these approaches to ensure we are monitoring giving patterns and amounts. In addition, options are in place to suppress communications to members that are flagged as vulnerable by diocesan data leads. Planning and development meetings, along with training, have taken place during the year. We will continue to develop, and where possible, automate these systems as we move into 2021/22.

During 2020, Mothers’ Union received no fundraising complaints and three suppression requests from the Fundraising Preference service (FPS) which were all actioned within three days. Improved data quality and a focused membership data project in 2020 saw a significant improvement in the engagement with members and donors.



GOVERNANCE

Mothers' Union is governed by a Royal Charter originally dated 15 June 1926 and subsequently amended by Supplemental Charters, most recently in April 2018. The latest revision was part of the modernisation programme of Mothers' Union, to be consistent with current best governance practice, and to reflect the global nature of the Charity.

The financial statements have been prepared in accordance with the accounting policies of the Charity and comply with the Charity's Royal Charter, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102) (Effective 1 January 2019). The Financial Review, Policies and Statements are laid out on pages 40 to 60 inclusive.

From 2019, the Board comprised the Worldwide President and 11 Zonal Trustees, five from Britain and Ireland and six from regions around the world. Additionally, the Board can be strengthened by up to four specialist appointees to fill gaps in knowledge or experience amongst the elected Board.

The full Trustee Board has increased the frequency of its meetings this year albeit remotely via video-conferencing to agree broad strategy and areas of activity for the Charity, including investment, reserves and risk management, and can convene ad hoc meetings in the interim virtually if required. The Board works on triennial cycles, and the current triennium began in January 2019.

The Zonal Trustees and Worldwide President are elected from within the membership to their position for an initial term of three years and may stand for re-election for a second term. Appointed Trustees serve an initial term of three years, which may be renewed for a further three years. The Board of Trustees is accountable to a representative body of the membership, the Worldwide Council, which meets at least once a triennium. This comprises the serving Trustee Board members, a representative of past Worldwide Presidents and all of the Provincial Presidents from across the world. It exists to review the performance of the global movement and the central charity, and play an advisory or decision-making role on matters of long-term importance for the movement.

The Board of Trustees has established a number of subcommittees through which it discharges a number of its primary responsibilities. It can co-opt individuals from outside the Board where necessary to complement the skills of Board members. Prominent amongst these subcommittees is an Audit & Risk Committee. This comprises at least two Trustees, with the Chief Executive and the Head of Finance in attendance. It meets quarterly and supports the Board to fulfil its duties relating to financial reporting, internal controls, the audit process, management of risk, and compliance with the legal requirements that govern the Charity.

Decisions on grant making are, with effect from 2019, undertaken by a Development Committee, which includes two appointed external experts, following guidelines set by the Trustees. In addition, a remuneration committee and a safeguarding committee are in place from 2019, and a member of the Board has been nominated to take a lead in matters relating to data protection. All Trustees received an induction programme including external speakers at the start of this Triennium covering their roles and responsibilities. A skills audit was conducted, to ensure the range of skills was fully understood, and to enable additional skills to be brought in if and as required. Update training sessions are delivered as necessary throughout the triennium. In 2020, all Trustees undertook on-line safeguarding training, and the Board undertook a mid-term performance review. The remuneration committee oversaw the restructuring programme on behalf of the Board. The day-to-day work of Mothers' Union is delegated to the Chief Executive and staff of approximately 30.

ORGANISATIONAL STRUCTURE

MU has a wholly owned trading company, MU Enterprises Limited (MUe). MUe exists to handle the non-primary purpose trading operations of the group. It is governed by a Board of at least three directors that includes the CEO of the Charity and it reports quarterly to the main Board of the Charity.

STAFFING AND REMUNERATION

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

All Trustees give of their time freely and received no remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 6 (d) and 8 on pages 50 and 51 to the accounts.

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

The pay of the Senior Management Team and other staff is reviewed regularly by the Remuneration Committee who benchmark pay scales against pay levels in other similar charities within London and to make recommendations concerning the pay of the CEO and other senior staff. The remuneration benchmark is the mid-point of the range paid for similar roles in similar charities.

In 2020, all members of the Senior Leadership team took a voluntary pay cut of 20% from April to October, the CEO from April to December. All staff not impacted by redundancy also took a voluntary 15% cut for 3 months, in order to mitigate the financial consequences of the crisis on the Charity.

RISK MANAGEMENT

The Trustees have a risk management strategy which identifies the major risks to which the Charity is exposed and the possible impact of these risks. Established systems are in place through the regular review of the risk register and quarterly management reports to review both the risks facing the Charity and the effectiveness of the controls. All significant deviation from the activities planned and budgeted is subject to approval from the Audit and Risk Committee.

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

Throughout the pandemic crisis period, the Board and Audit and Risk Committee have been meeting frequently and virtually to assess risks, oversee progress and provide guidance.

Rapid action was taken as the crisis developed, including a launch of an Urgent Appeal, significant use of the Job Retention Scheme and other large reductions in costs, including a major staffing restructure, in order to secure the Charity's financial stability and ongoing sustainability. Budgets and operational plans for 2021 were designed with pessimistic assumptions applied around any return to normality in 2021, these assumptions have been continually reviewed and revised during 2021 as new information has become available.

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

Category of Risk and Description	Steps taken to mitigate residual risk
<p>Compliance Risk</p> <p>Risk of compliance breach arising from failure of training, policies, procedures or oversight. Key risk areas include safeguarding and GDPR</p>	<ul style="list-style-type: none"> • A suite of policies and procedures is in place to help address risks arising from MU staff and members • Dioceses are required to confirm that they adhere to the legislative and other standards recommended by regulatory authorities • An ongoing review of safeguarding within the movement, overseen by a Board Committee • A full data protection audit took place in 2018 using the services of a third party. Recommendations have been actioned, and the Board have oversight of performance. A follow up audit is intended in 2022
<p>Sustainability of Income</p> <p>The Charity is predominantly funded by subscriptions, donations and other contributions from the UK membership which is ageing and in decline</p>	<ul style="list-style-type: none"> • Active Fundraising Strategy to develop income outside traditional membership sources • Working with affiliate provinces worldwide to increase contributions towards the needs of the central Charity • Membership Communication Project development is continuing and will shortly enable improvements in the administration of membership across the Charity and its affiliates. Intended to encourage member retention and facilitate growth • A new global strategy and communications approach was launched in 2020 • Options for maximising income generated by Mary Sumner House remain under active consideration
<p>Competition</p> <p>Many charities are competing for the same sources of income</p>	<ul style="list-style-type: none"> • The Fundraising Strategy identifies ways to support our membership, who are our primary supporters, as well as developing approaches to reach under-tapped audiences who are supportive of our core programmes and activities • Ensuring project design is optimised to maximise opportunities to access grant funding • Where appropriate, we will partner rather than compete with others to ensure best use of our collective resources
<p>Cashflow Risk and Reserves</p> <p>Ongoing activities and the number of new strategic projects are placing increased pressure on cashflow</p>	<ul style="list-style-type: none"> • Detailed consideration of cashflow requirements when setting annual budgets including identification of anticipated pinch points • Creation of a cashflow strategy to address anticipated cashflow pinch points ahead of time and regular review of cashflow as part of monthly management reporting
<p>Investment Risk</p> <p>Risk of significant declines in investment values/ income</p>	<ul style="list-style-type: none"> • Ongoing monitoring of the investment market and portfolio performance • Selling investments to cater for short-term cashflow needs only when the investment values are favourable and when there are no realistic alternatives • Stated intention to move towards budgeting for surpluses of sufficient size to readily absorb foreseeable fluctuations in investment income
<p>Disaster Risk</p> <p>Fire/flooding/pandemic/terrorist attack risk</p>	<ul style="list-style-type: none"> • Insurance cover and the disaster recovery plan helps to manage these risks • Foreseeable building maintenance needs are being built into the future redevelopment plans for the building

Our 11 funded programmes directly supported nearly

250,000 people worldwide in 2020.

PUBLIC BENEFIT

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



FINANCE REVIEW

Financial Performance

2020 was a year like no other. The Covid-19 pandemic and resulting Government guidance and restrictions interfered with operational activities in ways, and on a scale, that would have been almost impossible to imagine before the situation arose.

It is therefore particularly pleasing to be able to report that, in the face of all this disruption, the group was ultimately able to rise to these challenges and can report a consolidated surplus of £347,079 for the year (2019: £454,045).

This was not an outcome that was easily achieved. At one stage over 50% of budgeted income for the year was projected to be at risk of not materialising, and it is only as a result of the commitment of our members and the diligence and sacrifice of our staff team that the threats posed were overcome. Doing so entailed many painful decisions and still saw Mothers' Union's trading subsidiary, MU Enterprises Limited reporting a deficit of £99k for the year.

Fortunately, the income risks arising from the pandemic were identified and highlighted to the Board before the crisis fully reached the UK. The management team and Board were then able to set about creating and implementing plans to address the threats posed in good time. The plans created focussed on two areas: replacing as far as possible budgeted income that was expected to be lost; and alongside this re-engineering the cost base to allow the Charity to operate sustainably on an ongoing basis in the face of what was correctly judged to be medium term shock to general income levels.

Income

Mothers' Union has, by the standards of many charities, a well-diversified income profile with income coming from member subscriptions, fundraising appeals, grants and substantial trading activities amongst others. The impact of the pandemic remarkably managed to impact all income sources simultaneously as a result of the restrictions applied. Prominent amongst the impacts were: the forced closure of our headquarters to the public; the cancellation of our annual Summer of Hope Appeal; and the disruption of subscription collection mechanisms across the movement. Without corrective action total income would have fallen £1.8m short of originally budgeted levels.

As part of the recovery plans, an Urgent Appeal was launched globally in April 2020, with the aim of securing financial stability whilst action was performed on the expenditure front. This appeal was received with amazing grace across the global movement and income generated from the appeal was able to not only replace lost budgeted income from appeals but also made a substantial contribution towards covering other income

shortfalls. Total income from the appeal was £895k, enabling total income from appeals and general fundraising to end the year at £1.14m (2019: £621k).

Income from Britain & Ireland ("B&I") member subscriptions and donations fell to £1.07m (2019: £1.25m) with the subscription income component falling to £645k (2019: £759k). These declines primarily arose from pandemic-related restrictions impacting on the ability of our membership to meet in person and for subscriptions to be paid in person.

Trading income was massively impacted, falling to £554k (2019: £1.077m). The main driver of this fall was conferencing income generated by Mary Sumner House, which was severely impacted by building closures and restrictions on the size of business meetings during the year. Retail income was also significantly impacted, with our sales reps unable to hold or attend events or visit members for much of the year, although a renewed focus on sales direct to members helped to partially mitigate this in the second half of the year.

Included in grant income reported of £413k (2019: £99k) is £206k which was claimed during the year from the Government under the Coronavirus Job Retention Scheme. Whilst substantial and a welcome contribution to our financial stability and our ability to minimise redundancies, ultimately it was still dwarfed by the expected income lost from all sources as a result of Government guidance and restrictions.

Investment income fell to £100k (2019: £125k) and rental income to £28k (2019: £55k), once again the changes primarily driven by impacts of the pandemic on the financial and office rental markets.

Total income for the year therefore settled at £3.33m (2019: £3.23m). This was still well short of the £3.7m originally budgeted but represents as good an outcome as could reasonably have been hoped for given our circumstances in springtime, and crucially brought income shortfalls back to a level that could be addressed through action on the cost side.

Expenditure

Mothers' Union had originally been budgeting and planning to substantially increase activity levels and therefore expenditure in 2020. Instead, the year ended with total expenditure of just £2.762m (2019: £3.219m), well below historic norms. The transformation of spending plans once again highlights the ability of the movement to adjust its plans to deal with the financial realities facing it.

Expenditure reduction options were initially worked through in February as the scale of the forthcoming disruption began to become clear. These were further refined and implemented over the coming months, culminating in a full staffing restructure

which took place over the summer. With no certainty available at that time concerning the success of measure to bolster income, the cuts applied were unavoidably swingeing and resulted in substantial reductions in expenditure in all areas.

In some instances, reduced expenditure came relatively organically from wider events. Restrictions on gatherings and interactions around the world significantly curtailed our ability to deliver the originally planned programmes of work, resulting in large bodies of work being reimaged or rescheduled. Similarly, condensed trading activity inevitably lead to reduction in associated direct costs. However most planned reductions involved tough decisions weighing up how limited resources could be used to greatest effect.

The staff team bore a significant burden throughout the year. The staffing restructure applied saw the size of the team reduced by approximately one third by early 2021, with most departures occurring in 2020. Substantial usage of the Coronavirus Job Retention Scheme also saw available staffing significantly throughout the last three quarters, leaving the remaining staff carrying an exceptionally heavy burden. In addition to this, staff not impacted by redundancy or substantially reduced terms following the restructure voluntarily waived a portion of their pay for part of the year. Total staffing expenditure therefore fell to £1.46m (2019: £1.56m). The Trustees cannot overstate their gratitude for these sacrifices and endeavours during 2020, nor their importance in helping stabilise our finances. Thanks to the realignment of our cost base and operational plans, Mothers' Union is now well positioned to operate sustainably in the coming years even in the face of a challenging and uncertain climate for income generation.

Financial Position

Thanks primarily to the operational outcome achieved during the year, the financial position of the group has improved materially, building on ground gained in recent years.

The group remained debt free at the year-end and no new facilities were required during the year, in stark contrast to many organisations in the charity sector. Liabilities included within the accounts were once again relatively routine in scale and nature.

The Defined Benefit Pension Scheme liability reported in the accounts continued to reduce in line with agreed deficit reduction payments, however changes to discount rates applied reduced the scale of the reduction slightly in 2020. At the year end the Defined Benefit Scheme liability stood at £289,000 (2019: £329,304).

The most pressing financial concern in recent years has been around ensuring sufficient liquidity and free reserves. By the year end significant improvements had been seen in both areas.

On a consolidated basis total assets exceeded total liabilities at 31 December 2020 by £3,380,836 (2019: £3,033,757). Thanks to a combination of deliberate financial planning and the better than anticipated operational outcome, the Net Current Assets position had eased significantly by the end of the year to total £281,773 (2019: net current liabilities of £190,287). A significant portion of the improvement in this area was increased cash holdings which totalled £711,617 at the year-end (2019: £383,757).

In addition to more appropriate cash holdings, the charity also continues to benefit from detailed financial planning and oversight, a supportive and committed membership, the availability of investment assets that can be realised at relatively short notice as an option of last resort, and a good degree of control over the timing of grant expenditure. The Trustees therefore now believe that cashflow risk remains manageable in the short term even under the current exceptional operating conditions. The residual risks in this area will continue to be addressed in the mid-term by plans for surpluses on future operational budgets.

Movement across the fund categories was comparable with previous years, however the surplus generated on the general fund has seen that fund grow relative to the restricted funds as part of planned efforts to restore Free Reserve levels. The balance on the General Fund at the year-end was £1,484,552 (2019: £934,939). The balance of Restricted Funds was £1,896,284 (2019: £2,089,818).

Owing to the profit transfer covenant, MUE brought forward minimal net assets into the 2020 financial year. The loss generated in 2020 within the trading company has therefore resulted in a deficiency of assets of £99k at the year-end (2019: net assets of £12). Given the nature of MUE's liabilities, including its relationship with its primary creditor, Mothers' Union, this has no implications for the going concern status of the trading subsidiary. The Board of Trustees of Mothers' Union have reaffirmed their intention to provide ongoing financial support to MUE. This decision was made following a detailed review of financial forecasts and budgets by the Board and Audit and Risk Committee, which indicate that the deficiency of assets is expected to have corrected itself by 31 December 2022 at the latest. In considering these matters the Trustees identified that MUE has historically generated significant profits for the charitable group and that the factors giving rise to the deficit in 2020, appear temporary in nature.

Capital Expenditure

Total Capital expenditure during the year was £115,653 (2019: £402,951). This significant strategic investment was again predominantly spent on early phases of the Mary Sumner House redevelopment project and continued upgrades to IT infrastructure. The MSH investment was approved on the basis that planning permission alone would increase the value of the asset beyond the cost of the application.

Future Financial Plans

The Trustees continue to acknowledge the importance of diversifying income streams to strengthen the financial sustainability of the Charity, particularly with a view to enabling it to cope with anticipated future demographic challenges within the B&I membership. They are also acutely aware of the need to maintain and grow financial reserves, which have now recovered back into the acceptable range after a decade in which they had consistently been lower than ideal. The necessity of this has been amply demonstrated by the coronavirus-related disruption seen in 2020 and 2021.

The Trustees had previously committed to running budgets with break-even or surplus positions shown on the general unrestricted fund with effect from 2020 until free reserve levels had recovered to the desired level. They remain committed to this path but are pleased that the recovery of free reserve levels in 2020 grants some increased flexibility.

A number of significant strategic projects remain underway to help address these risks. Prominent amongst these projects is the intended redevelopment of the movement's headquarters,

Mary Sumner House. In late 2020 the Board agreed that a redevelopment scheme, created during 2020, should be put forward for formal planning approval. The scheme is intended to secure the long-term future of the building and maximise the income it generates to support the work of the Charity. A decision from the planning authorities is expected in Autumn 2021. If this application is successful then the trustees will, in due course, determine when and how to deliver the scheme taking into account current economic circumstances.

Financial Control Environment

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

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

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

The adequacy of the control environment is periodically assessed by both the Board and Audit and Risk Committee.

Investment Policy

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

The Trustees are happy with the performance of the Charity's investment portfolio over a challenging period, and have reaffirmed that the management of Mothers' Union's investments and the current asset allocation strategy are appropriate.

A full review of the charity's investment policy will now be held in 2022. This will include a review of the ethical investment policy. A review had been intended to take place in 2021 but operational issues arising during the pandemic have necessitated that the Board's focus be placed elsewhere.

Reserves and Fund Accounting

Mothers' Union's reserves are a mix of unrestricted funds and restricted funds.

The Trustees have calculated free reserves (those reserves available for general purposes) at 31 December 2020 as follows:

Total Funds at 31/12/20	£ 3,380,836
Less total restricted funds	£ (1,896,284)
Less unrestricted tangible fixed assets	£ (766,055)
Free Reserves at 31/12/20	£718,497

The Trustees have set a target level for free reserves of between £700,000 and £1,700,000, which represents approximately six to nine months of unrestricted expenditure of the Charity based on long run expenditure levels on the fund. Free reserves are presently £718,497, which is towards the lower end of the range the Trustees believe is appropriate.

It has been a significant period of time since the Charity was last able to report free reserves within the desired target range and marks the achievement of major long-term goals of successive Boards. The Trustees are now intending to manage the financial affairs and planning of the Charity so that reserves are at the upper end of the desired range by the middle of the decade, to ensure the financial stability of the movement.

The reserves policy for Restricted Funds is for sufficient assets to be held to meet the obligations of each fund and this was again the case as at 31 December 2020. In 2019 the Trustees agreed to move to an updated accounting fund structure by the start of 2021. This has seen the closure of most of the Charity's existing restricted funds to new donations with effect from 31 December 2020 and the creation in 2021 of an increased number of project specific restricted and designated funds, bringing Mothers' Union's approach to management of funds and reserves more in line with best practice elsewhere within the third sector.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

Provision of information to auditors

So far as each of the Trustees at the time the report is approved are aware:

- there is no relevant audit information of which the auditors are unaware and,
- they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

Approved by the Trustees and signed on their behalf by:



Sheran Harper
Worldwide President and Trustee
8th September 2021

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

Opinion

We have audited the financial statements of the Mothers' Union for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent Charity's affairs as at 31 December 2020 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 36, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we have considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London EC4R 1AG

Date:

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

Consolidated Statement of Financial Activities

	Note	Un-restricted 2020 £	Overseas Restricted 2020 £	Other Restricted 2020 £	Total 2020 £	Total 2019 £
Income from						
						Note 2
Subscriptions, Donations & Legacies						
Membership subscriptions and donations		855,022	148,156	76,628	1,079,806	1,251,526
Other donations and legacies		1,073,584	9,907	56,563	1,140,054	620,833
Grants		178,712	28,071	-	206,783	91,077
Government grants	1	206,172	-	-	206,172	-
		2,313,490	186,134	133,191	2,632,815	1,963,436
Other Trading Activities						
Trading income – MU Enterprises	4	553,640	-	-	553,640	1,077,172
Sale of Publications and other income		987	-	-	987	8,780
Investments	5	88,906	29,473	19,452	137,831	180,469
Total Income		2,957,023	215,607	152,643	3,325,273	3,229,857
Expenditure on Raising Funds						
Trading expenditure – MU Enterprises	4	577,405	-	-	577,405	731,430
Fundraising		181,238	-	-	181,238	198,687
		758,643	-	-	758,643	930,117
Charitable activities	6	1,486,200	399,127	117,620	2,002,947	2,288,613
Total Expenditure		2,244,843	399,127	117,620	2,761,590	3,218,730
Net Income/(Expenditure) before recognised gains and losses		712,180	(183,520)	35,023	563,683	11,127
Net gains/(losses) on investments		(171,567)	(55,492)	10,455	(216,604)	442,916
Transfers between funds	19	-	(59,407)	59,407	-	-
Net Income/(expenditure)		540,613	(298,419)	104,885	347,079	454,043
Total Funds Brought Forward		943,939	675,981	1,413,837	3,033,757	2,579,714
Total Funds Carried Forward	20	1,484,552	377,562	1,518,722	3,380,836	3,033,757

All the activities in the above financial years were derived from continuing operations. All recognised gains and losses are included in the above statement. The notes on pages 43 to 60 form part of these accounts.

Consolidated and Charity Balance Sheets

		Group		Charity	
		2020	2019	2020	2019
		£	£	£	£
Fixed Assets					
Tangible assets	12	766,055	714,736	766,055	714,736
Investments:					
Subsidiary undertaking	3	-	-	12	12
Other investments	15	2,553,312	2,769,916	2,553,312	2,769,916
		3,319,367	3,484,652	3,319,379	3,484,664
Current Assets					
Stocks	18	40,464	42,262	2,550	2,550
Debtors	16	185,121	211,258	315,772	255,273
Short term deposits		5,125	5,125	5,125	5,125
Cash at bank and in hand		706,492	378,632	555,715	280,804
		937,202	637,277	879,162	543,752
Current Liabilities					
Creditors: Falling due within one year	17	(655,429)	(827,564)	(498,636)	(734,051)
Net Current Assets / (Liabilities)		281,773	(190,287)	380,526	(190,299)
Total Assets less current liabilities		3,601,140	3,294,365	3,699,905	3,294,365
Long-Term Liabilities – Pension Deficit	17	(220,304)	(260,608)	(220,304)	(260,608)
Net Assets	20	3,380,836	3,033,757	3,479,601	3,033,757
Fund Balances					
Restricted funds	19	1,896,284	2,089,818	1,896,284	2,089,818
Unrestricted funds		1,484,552	943,939	1,583,317	943,939
		3,380,836	3,033,757	3,479,601	3,033,757

The financial statements and notes on pages 43 to 60 were approved and authorised for issue by the Board of Trustees on 8th September 2021 and signed on its behalf by



Sheran Harper
Worldwide President and Trustee
Mothers' Union, incorporated by Royal Charter,
registered as a Charity in England and Wales (Registration Number 240531)

Consolidated Statement of Cash Flows

		2020 £	2019 £
Net cash provided by/(used in) from operating activities	a	305,682	(49,848)
Cash flows from investing activities			
Purchase of tangible fixed assets		(115,653)	(402,951)
Investment income		137,831	180,469
Proceeds from sale of investments		-	375,983
Changes in cash in the reporting period	a	<u>327,860</u>	<u>153,501</u>
Management of other liquid resources			
Decrease/(Increase) in short term deposits		-	(38)
Increase in cash in the year		327,860	103,615
Cash at 1 January	b	<u>378,632</u>	<u>275,017</u>
Cash at 31 December	b	<u>706,492</u>	<u>378,632</u>

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

	2020 £	2019 £
Net income	347,079	454,043
Depreciation	64,334	46,860
(Loss)/gain on investments	216,604	(442,916)
Income from investments	(137,831)	(180,469)
Decrease in Stocks	1,798	17,050
Decrease in Debtors	26,137	23,969
(Decrease)/increase in Creditors	(212,439)	31,615
	<u>305,682</u>	<u>(49,848)</u>

b) Reconciliation of net debt

	2020 £	2019 £
Cash at 1 January	378,632	275,017
Cash flows	327,860	103,615
Cash at 31 December	<u>706,492</u>	<u>378,632</u>

The notes on pages 43 to 60 form part of these accounts.

Notes to the Financial Statements

1. Accounting Policies

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) (Second Edition - effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Mothers' Union is a charity registered in England and Wales (registration number: 240531) and is also a Royal Charter company limited by guarantee (registration number RC000256). The Charity's registered office address is: 24 Tufton Street, London, SW1P 3RB.

Going concern

The Trustees have reviewed the Charity's financial position, reserves levels and future plans and consider that despite the tough operational circumstances, there are no foreseeable material uncertainties about the Charity's ability to continue as a going concern.

Subscriptions

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

Income Recognition

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

Donation and Legacies

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

Grants Received

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

Government Grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure. The government grants recognised in the Statement of Financial Activities relate to the Coronavirus Job Retention Scheme income.

Income from Investments and Short-Term Deposits

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

Pension Costs

Mothers' Union participates in the Pension Builder (Defined Contribution) and Defined Benefits Scheme (closed to new entrants), both of which are part of the Church Workers Pension Fund. As the Charity is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis, it takes a multi-employer exemption under FRS102 and so accounts for the scheme as if it were a defined contribution scheme. Pension costs are accounted for on the basis of contributions payable for the year.

Grants Payable

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

Investments

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

Fund Accounting

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

Restricted Funds:

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

Unrestricted Funds:

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

Property

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

Tangible Fixed Assets

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

- Property improvement – 4% after the first year
- Office equipment and furniture – 20%
- Computer equipment – 20%
- Membership database and Website – 10%

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

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

Stocks

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

Short-Term Deposits

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

Expenditure

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

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Charity's accounting policies. In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The valuation of the future deficit recovery payments towards the charity's defined benefit pension scheme, which is recognised as a liability in the accounts, is a key source of estimation uncertainty. Further details can be found in note 10. In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year

2. Comparative Statement of Financial Activities – for the year ended 31 December 2019

		Un-restricted 2019	Overseas Restricted 2019	Other Restricted 2019	Total 2019
		£	£	£	£
Income from					
Subscriptions, Donations & Legacies					
Membership subscriptions and donations		872,041	273,285	106,200	1,251,526
Other donations and legacies		540,369	78,181	2,283	620,833
Grants		68,077	21,500	1,500	91,077
		1,480,487	372,966	109,983	1,963,436
Other Trading Activities					
Trading income – MU Enterprises	4	1,077,172	-	-	1,077,172
Sale of Publications and other income		8,780	-	-	8,780
Investments	5	133,259	29,098	18,112	180,469
Total income		2,699,698	402,064	128,095	3,229,857
Expenditure on Raising Funds					
Trading expenditure – MU Enterprises	4	731,430	-	-	731,430
Fundraising		198,687	-	-	198,687
		930,117	-	-	930,117
Charitable activities	6	1,669,989	482,914	135,710	2,288,613
Total Expenditure		2,600,106	482,914	135,710	3,218,730
Net Income/(Expenditure) before recognised gains and losses		99,592	(80,850)	(7,615)	11,127
Net gains/(losses) on investment assets		224,052	129,325	89,539	442,916
Net Income/(Expenditure)		323,644	48,475	81,924	454,043
Total Funds Brought Forward		620,295	627,506	1,331,913	2,579,714
Total Funds Carried Forward	20	943,939	675,981	1,413,837	3,033,757

3. Subsidiary Undertaking

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

The interests of Mothers' Union are:

Share Capital	
2020 Total	2019 Total
£	£
12	12

At beginning and end of year

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

4. Trading Activities and Results of MU Enterprises Limited

	2020	2019
	£	£
Turnover	553,562	1,076,968
Cost of sales	(413,684)	(555,224)
Gross profit	139,878	521,744
Indirect and administrative costs	(238,721)	(316,005)
Interest receivable	78	204
Net (loss) / profit before donation to parent charity	(98,765)	205,943

Indirect and administrative costs include rent payable to Mothers' Union of £28,500 (2019 - £99,800). As the subsidiary made a loss in the year, it has not donated any funds to the Charity this year under a deed of covenant (2019: £205,942 of profits were donated).

The aggregate of the assets, liabilities and reserves was:

	2020	2019
	£	£
Aggregate assets	221,720	208,157
Aggregate liabilities	(320,473)	(208,145)
	(98,753)	12

5. Investments – other investments

	Un-restricted Funds 2020	Overseas Funds 2020	Other Restricted Funds 2020	Total 2020
	£	£	£	£
Rental Income	37,463	-	-	37,463
Investment trusts	49,295	29,473	19,452	98,220
Short-term deposits	89	-	-	89
Shares in UK listed companies	2,059	-	-	2,059
	88,906	29,473	19,452	137,831

	Un-restricted Funds 2019	Overseas Funds 2019	Other Restricted Funds 2019	Total 2019
	£	£	£	£
Rental Income	55,423	-	-	55,423
Fixed interest stocks	2,279	-	-	2,279
Investment trusts	73,169	29,091	18,089	120,349
Short-term deposits	70	7	23	100
Shares in UK listed companies	2,318	-	-	2,318
	133,259	29,098	18,112	180,469

6. Expenditure

a) Analysis of Charitable Activities

	Grants 2020	Direct Costs 2020	Support Costs 2020	Total 2020
	£	£	£	£
Community Engagement & Development	70,027	286,271	103,124	459,422
Training & Capacity Building	70,918	311,023	111,017	492,958
Prayer & Fellowship	25,420	177,618	64,354	267,392
Campaigning	26,676	205,682	70,809	303,167
Emergency Relief	2,423	16	-	2,439
Membership Resources	28,363	331,733	117,473	477,569
	223,827	1,312,343	466,777	2,002,947

	Grants 2019	Direct Costs 2019	Support Costs 2019	Total 2019
	£	£	£	£
Community Engagement & Development	46,816	326,690	150,405	523,911
Training & Capacity Building	53,395	349,578	160,838	563,811
Prayer & Fellowship	21,794	183,393	93,049	298,236
Campaigning	22,033	229,229	103,227	354,489
Emergency Relief	57	1,245	-	1,302
Membership Resources	22,272	353,576	171,016	546,864
	166,367	1,443,711	678,535	2,288,613

6. Expenditure (continued)

b) Analysis of Support Costs

	Governance 2020	Administration 2020	Premises & IT 2020	Depreciation 2020	Total 2020
	£	£	£	£	£
Community Engagement & Development	15,701	44,485	28,784	14,154	103,124
Training & Capacity Building	16,777	48,577	30,223	15,440	111,017
Prayer & Fellowship	9,725	28,351	17,271	9,007	64,354
Campaigning	10,701	30,309	20,149	9,650	70,809
Emergency Relief	-	-	-	-	-
Membership Resources	17,753	50,535	33,102	16,083	117,473
	70,657	202,257	129,529	64,334	466,777

2019 comparatives	Governance 2019	Administration 2019	Premises & IT 2019	Depreciation 2019	Total 2019
	£	£	£	£	£
Community Engagement & Development	51,894	46,142	42,060	10,309	150,405
Training & Capacity Building	55,034	50,395	44,163	11,246	160,838
Prayer & Fellowship	31,839	29,414	25,236	6,560	93,049
Campaigning	35,322	31,434	29,442	7,029	103,227
Emergency Relief	-	-	-	-	-
Membership Resources	58,517	52,414	48,369	11,716	171,016
	232,606	209,799	189,270	46,860	678,535

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

c) Grant Payments

Mothers' Union made grant payments to 60 affiliates during the year (2019 – 68) which include grants for programmes, salary and travel costs for Community Development Coordinators and other project-related costs such as equipment.

There were no individual grants made of more than £35,000 in 2020 (2019: none).

6. Expenditure (continued)

d) Analysis of Governance Costs

	2020	2019
	£	£
Audit and accountancy fees	16,775	15,390
Strategic Review	-	40
Trustees' Training	25	3,039
Trustees' Expenses	6,790	21,652
World Wide Conference	567	99,334
Apportionment of Staff costs	46,500	93,151
	<u>70,657</u>	<u>232,606</u>

7. Net income/(expenditure)

Net income/(expenditure) is stated after charging

	2020	2019
	£	£
Depreciation of tangible fixed assets	64,334	46,860
Auditors remuneration – audit of parent charity	16,775	15,390
– audit of MU Enterprises Limited	7,320	7,150
– other	2,805	2,685
	<u>91,234</u>	<u>72,085</u>

8. Employees

	2020	2019
Average number of employees (headcount)	39	41
Aggregate remuneration to employees was:	£	£
Wages & salaries (including temporary staff)	1,268,747	1,355,131
Social Security costs	117,898	130,289
Pension costs: operating cost	72,055	76,745
Subtotal	<u>1,458,700</u>	<u>1,562,164</u>
Additional pension costs: decrease to deficit contribution (note 10)	(40,304)	(78,527)
Total salary expenditure	<u>1,418,396</u>	<u>1,483,637</u>
Less:		
Recharged to subsidiary undertaking by way of management charge	(310,118)	(464,223)
Net salary expenditure, borne by the Charity	<u>1,108,278</u>	<u>1,019,414</u>

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

	2020	2019
£80,001 - £90,000	1	1

During the year no Trustees received any remuneration. Four Trustees claimed expenses of £1,000 (2019, 16 Trustees - £61,434) for travel and subsistence. In addition, the Charity paid £1,500 for Trustee indemnity insurance (2019 - £1,500).

Total remuneration paid to key management personnel totalled £263,007 for 2020 (2019 - £294,575), which includes pension contribution of £10,456 (2019 - £13,454). Out of this, £30,319 (2019 - £52,159) was charged to the subsidiary (MU Enterprises Ltd.) as Directors' remuneration.

Redundancy and settlement payments totalled £42,557 in the period (2019: £9,500).

9. Related Parties

Aggregate donations of £2,800 were received from Trustees during 2020 (2019: £3,100). Donations totalling £3,700 (2019: £nil) were received from management personnel.

10. Pension Costs

The Mothers' Union participates in the Defined Benefits Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers.

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

Defined Benefits Scheme

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

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

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

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2020: £9,000, 2019: £9,526), plus any impact of deficit contributions (see below), giving a total charge of £40,304 for 2020 (2019: charge of £53,668).

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

A valuation of DBS is carried out once every three years. The most recently finalised was carried out as at 31 December 2016. In this valuation, the Life Risk Section was shown to be in deficit by £2.6m and £2.6m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £26.2m.

A valuation as at 31 December 2019 was under way as at 31 December 2020. The contributions agreed at that valuation will be reflected in the figures disclosed in the 2021 accounts.

Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay expenses of £6,300 per year. In addition, deficit payments of £68,696 per year have been agreed for seven years from 1 April 2018 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the employer's financial statements.

10. Pension Costs (continued)

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

	2020	2019
	£	£
Balance Sheet Liability as at 1 January	329,304	398,000
Deficit Contribution paid	(69,000)	(70,000)
Interest	4,000	2,000
Remaining change to balance sheet liability * (recognised in SoFA)	24,696	(696)
Balance Sheet liability as at 31 December	289,000	329,304

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

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

	2020	2019	2018
Discount rate	0.4%	2.40%	2.10%

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

11. Freehold Property

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

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

12. Tangible Assets - (Group and Charity)

	Freehold Property £	Office Furniture & Equipment £	Membership database & website development £	Computer Equipment £	Total £
Cost					
1 January 2020	479,087	533,028	236,031	363,354	1,611,500
Additions	68,263	-	25,889	21,501	115,653
31 December 2020	547,350	533,028	261,920	384,855	1,727,153
Depreciation					
1 January 2020	58,970	511,338	45,708	280,748	896,764
Charge for year	3,263	8,180	25,169	27,722	64,334
31 December 2020	62,233	519,518	70,877	308,470	961,098
Net Book Value at 31 December 2020	485,117	13,510	191,043	76,385	766,055
Net Book Value at 31 December 2019	420,117	21,690	190,323	82,606	714,736

13. Capital commitments

There were no approved capital commitments at 31 December 2020 (2019: none).

14. Associated Charities

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

15. Investments - (Group & Charity)

	Unrestricted Funds £	Restricted Fund Overseas £	Other Restricted Funds £	Total 2020 £	Total 2019 £
Market Value:					
At beginning of year	1,313,166	874,848	581,902	2,769,916	2,702,983
Disposal	-	-	-	-	(375,983)
Gains	(171,567)	(55,492)	10,455	(216,604)	442,916
At end of year	1,141,599	819,356	592,357	2,553,312	2,769,916
Being at market value:					
Fixed interest stocks	-	14,484	-	14,484	15,483
Investment trusts	1,121,580	820,140	573,678	2,515,398	2,721,108
Shares in UK listed Companies	20,020	3,410	-	23,430	33,325
	1,141,600	838,034	573,678	2,553,312	2,769,916
Cost of investments	138,463	108,199	41,897	288,559	288,559

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

16. Debtors: Amounts falling due within one year

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Trade debtors	33,029	-	70,613	-
Amount due from subsidiary undertaking				
Deed of Covenant	-	-	-	114,628
Other	-	163,680	-	-
	33,029	163,680	70,613	114,628
Staff season ticket and other loans	811	811	8,255	8,255
Other debtors	87,133	87,133	78,948	78,948
Prepayments	64,148	64,148	53,442	53,442
	185,121	315,772	211,258	255,273

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

	2020 Group £	2020 Charity £	2019 Group £	2019 Charity £
Pension deficit due within 1 year	68,696	68,696	78,222	78,222
Trade creditors	145,098	96,501	218,965	205,203
Other taxation	48,950	38,833	55,483	38,089
Other creditors	29,713	29,713	108,763	108,763
Deferred income	76,510	26,082	19,164	19,164
Accruals	286,462	238,811	346,967	284,610
	<u>655,429</u>	<u>498,636</u>	<u>827,564</u>	<u>734,051</u>

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

	Charity and Group	
	2020 £	2019 £
Pension Deficit	220,304	260,608
The total pension deficit is repayable over the following period		
Within 1 year	68,696	78,222
Between 1 and 2 years	68,422	66,245
Between 2 and 5 years	151,882	184,837
	<u>289,000</u>	<u>329,304</u>

(c) Deferred Income

	Balance at 1 January 2020 £	Released during the year £	Deferred during the year £	Balance at 31 December 2020 £
Deferred Income	19,164	(19,164)	76,510	76,510
2019 comparative	Balance at 1 January 2019 £	Released during the year £	Deferred during the year £	Balance at 31 December 2019 £
Deferred Income	94,710	(94,710)	19,164	19,164

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

18. Stocks

	2020		2019	
	Group £	Charity £	Group £	Charity £
Goods for resale	40,464	2,550	42,262	2,550
	<u>40,464</u>	<u>2,550</u>	<u>42,262</u>	<u>2,550</u>

19. Restricted Funds

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

	Balance at 1 January 2020 £	Income £	Expenditure £	Investment Gains £	Transfers £	Balance at 31 December 2020 £
Overseas Fund	675,981	215,607	(399,127)	(55,492)	(59,407)	377,562
Other Restricted Funds						
Special Regional Meetings	(59,407)	-	-	-	59,407	-
Relief	856,955	38,708	(210)	-	-	895,453
Overseas Provident	519,418	19,452	(33,350)	10,455	-	515,975
Britain & Ireland Development Fund	54,177	11,064	(44,965)	-	-	20,276
MSH Fund	28,686	1,376	-	-	-	30,062
Other Funds	14,008	25,794	(39,094)	-	-	708
	1,413,837	152,642	(117,619)	10,455	59,407	1,518,722
Total Restricted Funds	2,089,818	368,249	(516,746)	45,037	-	1,896,284

Other Funds includes two individual funds comprising the Away From It All Fund and The Chapel Fund where the fund balances and income, expenditure, gains or losses on investments are less than £7,000 per fund. A brief description of the purpose of each fund is given below:

Fund	Purpose
Overseas Fund	To support the Charity's work in communities worldwide through Mothers' Union dioceses
Special Regional Meetings	To pay for the worldwide Special Regional Meetings
Relief	To give emergency relief to families whose lives have met with adversity
Overseas Provident	To pay for retirement and health costs for overseas Mothers' Union workers, where adequate local arrangements do not exist
Britain & Ireland Development Fund	Support the Charity's work in communities in Britain and Ireland through its Mothers' Union dioceses
DRC 2021	To fund the 2021 literacy and education project in DRC
MSH Fund	To support refurbishment work relating to Mary Sumner House
Other Away From It All Fund	To help disadvantaged families to have holidays in Britain and Ireland
Chapel Fund	To pay for the upkeep of the Chapel in Mary Sumner House

19. Restricted Funds (continued)

Comparative fund movements: for 2019	Balance at 1 January 2019 £	Income £	Expenditure £	Investment Gains £	Balance at 31 December 2019 £
Overseas Fund	627,506	402,064	(482,914)	129,325	675,981
Other Restricted Funds					
Special Regional Meetings	-	7	(59,414)	-	(59,407)
Relief	775,798	81,214	(57)	-	856,955
Overseas Provident	459,990	18,105	(48,216)	89,539	519,418
Britain & Ireland Development Fund	55,596	26,055	(27,474)	-	54,177
MSH Fund	28,686	-	-	-	28,686
Other Funds	11,843	2,714	(549)	-	14,008
	1,331,913	128,095	(135,710)	89,539	1,413,837
Total Restricted Funds	1,959,419	530,159	(618,624)	218,864	2,089,818

20. Analysis of Group Net Assets between Funds

	Unrestricted Fund 2020 £	Overseas Restricted Fund 2020 £	Other Restricted Fund 2020 £	Total 2020 £
Fixed Assets	766,055	-	-	766,055
Investments	1,141,599	819,356	592,357	2,553,312
Current Assets/Liabilities	(202,798)	(441,794)	926,365	281,773
Long term Liabilities	(220,304)	-	-	(220,304)
Net Assets	1,484,552	377,562	1,518,722	3,380,836

2019 comparative

	Unrestricted Fund 2019 £	Overseas Restricted Fund 2019 £	Other Restricted Fund 2019 £	Total 2019 £
Fixed Assets	714,736	-	-	714,736
Investments	1,313,166	874,848	581,902	2,769,916
Current Assets/Liabilities	(823,355)	(198,867)	831,935	(190,287)
Long term Liabilities	(260,608)	-	-	(260,608)
Net Assets	943,939	675,981	1,413,837	3,033,757

Trustees

In office throughout the period

Sheran Harper
 Elisabeth Crossman
 Nicola Sweatman
 Catherine Hilton
 Jennifer Barton
 Elizabeth Butler
 Thembsie Mchunu
 Kathleen Snow
 Roshini Mendis
 Paul Hindle
 Mary Kamwati
 Marie-Pierrette Bezara

Chief Executive

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