

## Mary's Meals

(A company limited by guarantee)

### Trustees' annual report and financial statements

For the year ended

31 December 2023

Charity number: SC022140

Company number: SC265941

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## A note on organisation names

This annual report and set of financial statements relate to the work of the organisation which raises awareness and funds in the United Kingdom for Mary's Meals' programmes. The legal name of this entity is 'Mary's Meals'.

However, since the term 'Mary's Meals' is reasonably used in practice to refer to the work of the entire Mary's Meals movement around the world, we will – for the purposes of clarity – refer to the organisation, in this document, as 'Mary's Meals UK' or 'MMUK'.

Mary's Meals UK is part of a global network of Mary's Meals entities, all working together to provide hungry children with a daily meal in school. 'Mary's Meals International Organisation' is the legal name for the entity which coordinates this network. In practice, this is often referred to simply as 'Mary's Meals International' or 'MMI'.

## Legal and administrative information

### Charity number

SC022140

### Company registration number

SC265941

### Business address

Craig Lodge  
Dalmally  
Argyll, PA33 1AR

### Registered office

Craig Lodge  
Dalmally  
Argyll, PA33 1AR

### Directors

Angela Duffy Thompson  
John Fulton  
Clare Hunter  
David Leslie  
Magnus MacFarlane-Barrow  
Robert Main (appointed 22 June 2023)  
Fr Frank Mulgrew  
Emma Oddie (resigned 22 June 2023)  
Dr Graham Paterson  
Ellen Rafferty

### Secretary

Suzanne Harley (appointed 16 January 2024)  
Javaid Latif (appointed 1 October 2023,  
resigned 16 January 2024)  
Alan Brown (resigned 30 September 2023)

### Executive Director

Matthew Barlow (appointed 6 November 2023)  
Daniel Adams (departed 19 June 2023)

### Independent auditors

RSM UK Audit LLP  
3rd Floor  
2 Semple Street  
Edinburgh, EH3 8BL

### Bankers

Royal Bank of Scotland  
88 Main Street  
Glasgow, G73 2JA

Bank of Scotland  
167-201 Argyle Street  
Glasgow, G2 8BU

Nationwide Building Society  
Nationwide House  
Pipers Way  
Swindon, SN3 1TX

### Solicitors

Ropes and Gray  
60 Ludgate Hill  
London, EC4M 7AW

MacArthur Legal  
Boswell House, Argyll Square, Oban  
Argyll, PA34 4BD





## Who we are

In 2002, our founder Magnus MacFarlane-Barrow visited Malawi during a time of terrible famine and met Emma, a mother of six young children, who was tragically dying of AIDS. When Magnus asked her eldest son, Edward, what his dreams were in life, he replied simply: “To have enough food to eat and to be able to go to school one day.”

And so, inspired by Edward’s moving words, Mary’s Meals was born; in that first year we provided nutritious meals to a group of 200 children every day they attended school in Malawi.

Since then, we have witnessed the amazing impact that school meals can have on entire communities. The children who eat Mary’s Meals can grow up happy and healthy, to provide for their own families, communities and countries.

More than twenty years since that first meal was lovingly served, we are now feeding around 2.4 million hungry children every school day in some of the world’s poorest countries, including Malawi, Ethiopia, Haiti, India, Kenya, Syria and Yemen.

As a volunteer-centred organisation, we partner with local communities to attract children into school with the promise of a nutritious meal. This means that, instead of begging, working or searching for food, children can concentrate on their lessons and look towards a future free from poverty.

In schools where Mary’s Meals are served, research shows that hunger is reduced, enrolment increases, attendance improves, drop-out rates fall, absences dwindle, parents are less anxious, and children are happier.

As this annual report demonstrates, our work simply would not be possible without the kindness and generosity of people in the UK who share our belief in the transformative power of a meal at school.

### Our vision

Our vision is that every child receives one daily meal in their place of education and that all those who have more than they need, share with those who lack even the most basic things.

### Our mission

Our mission is to enable people to offer their money, goods, skills, time, or prayer, and through this involvement, provide the most effective help to those suffering the effects of extreme poverty in the world’s poorest communities.

### Our values

- We have confidence in the innate goodness of people.
- We respect the dignity of every human being and family life.
- We believe in good stewardship of the resources entrusted to us.

### Our charitable objectives

- To provide a daily meal, in a place of education, for children in the world’s poorest communities.
- To provide relief for those suffering, in any part of the world, as a result of humanitarian crises or poverty; to help people escape poverty; and to provide care for orphaned, abandoned, and vulnerable children.
- To raise awareness in the UK and worldwide of poverty issues through education.



## Our year in numbers



**Around 2.4 million children** were receiving Mary's Meals by the end of 2023.

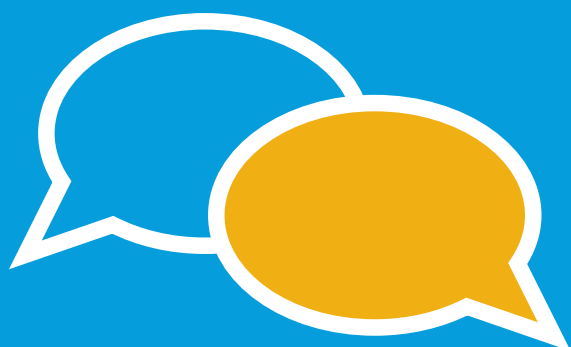
**98%** 

The overall satisfaction rate that supporters gave our Supporter Care team in 2023.

Active Grassroots  
volunteers:  
**679**



Together we raised a total of **£23,732,576** to feed hungry children around the world.



**1,407 talks**

about our work took place across the country – that's 27 every week of the year!



**94.7%** of donations were spent on our charitable activities.

## A message from the Chair and Executive Director



**Dr Graham Paterson**  
Chair of Trustees



**Matt Barlow**  
Executive Director

We began 2023 with a sense of trepidation, tempered, as all of our work is, with a glimmer of hope. Funding challenges for the whole organisation loomed large and there was real concern about our ability to keep the promise to the 2.4 million children who rely on our school meals. However, as has so often been the case in our story, the extraordinary support of our wider family resulted in an unexpectedly successful year.

Over the last few years we, like many other organisations, have been deeply affected by global inflation, especially around fuel, fertiliser and grain prices, and we started the year with a clear gap in projected funding against the income required by Mary's Meals International to run our programmes. The amount it costs to feed a child with Mary's Meals rose by 20% in January 2023 to £19.15 – the largest increase to this number in our history. This meant we faced a very challenging year, where we would have to see a massive increase in our supporters' generosity simply to maintain the promise to the 2.4 million children we were already committed to feed.

The cost of living crisis also impacted our supporters here in the UK as well as the communities we serve around the world. Once again though, people responded to our mission with great kindness, generosity and innovation. The average amount people could afford to give was understandably lower, with the crisis impacting many donors' household spending. This meant we particularly leaned on our major donors who assisted with significant one-off donations and flexibility in terms of the timing of their donations.

As a result of the collective generosity from all our valued supporters, our income in 2023 rose significantly compared with 2022, to over £23 million. This is an incredible achievement – one which we hardly dared hope for at the start of the year. We are, as ever, deeply grateful to all who give so generously to enable our mission.

With higher costs front of mind, this was a year of programmatic consolidation, with the primary aim to keep feeding those children already reliant on Mary's Meals.

It was also a year in which many of the communities we serve faced adversity, and in some places, even disaster. As ever, Mary's Meals responded to emergency situations in countries where we already work. The tragic earthquake which hit Syria in February galvanised existing and new supporters to respond to our appeal for those impacted. Because of their kindness, we were able to provide emergency food aid, as well as hygiene kits and counselling for thousands of families in Aleppo before resuming school feeding as the country recovered.

Meanwhile in Tigray, Ethiopia – with conflict now at an end – Mary's Meals was able to step up our support for families impacted by severe hunger by resuming our school feeding programme. Throughout the conflict, we supported our trusted partner in Ethiopia to carry out community food distributions, providing essential staples to those families in the greatest need.

As schools began to reopen towards the end of the year, we were delighted to once again serve children in their places of education. The people of Tigray have been through so much and we stand firm in our commitment to support them.

In 2023, we ran two established match funding campaigns – Double The Love and Direct Debits Tripled and we were heartened to see the response to these activities.

We continued to innovate through new campaign activities such as From Dalmally To Malawi, Small Change Big Impact and a new partnership with the Daily Express, which saw extensive media coverage and an appeal to readers over the Christmas period.





We know that every donation entrusted to us is precious – for the children that we serve, and to the people who have chosen to help us feed those hungry children. This is why we remain determined to meet the innate goodness of our supporters with good stewardship. With this commitment in mind, we made the difficult decision to close our network of six charity shops and our warehouse in Scotland.

This is because in recent years there has been a steady decline of income from our shops – while the cost of operating them has continued to increase. This means that sadly the shops were no longer a viable source of income. Decisions like these are always tough, but we have a responsibility to those who so generously support us, as well as to the next children waiting for Mary's Meals, to ensure we always focus our efforts in areas where we can have the most fundraising impact. We are so grateful for the dedication of our shop and warehouse staff and volunteers to growing Mary's Meals within their local communities over the years.

We stand by our commitment to ensure that at least 93% of all our income goes towards our charitable activities and we are delighted to share that in 2023, this number was actually 94.7%.

Our promise to keep our running costs low is only possible because of the many thousands of volunteers who give their time so freely to Mary's Meals. This includes the many people who volunteer to prepare, cook and serve our meals in the countries where we work. It also includes our incredible volunteers here in the UK who give time, energy and skills to spread the word about our work and raise vital funds so that we can reach even more hungry children around the world.

In such challenging global times, it is no small feat that we were able to keep the promise to the 2.4 million children who rely on our school meals every day. We are immensely proud of the enormous effort that has been made by staff, volunteers and supporters which made it possible for us to do this.

Dr Graham Paterson  
Chair of Trustees

Matt Barlow  
Executive Director

*Towards the end of 2023 Matt Barlow joined MMUK as Executive Director, bringing a strong track record of leadership from the charity Christians Against Poverty. We said farewell to Daniel Adams who left Mary's Meals after 12 years of service. Our gratitude goes to him for his passion and commitment, and we look forward to 2024 under Matt's leadership.*

# Trustees' annual report (including the strategic report)

The trustees of Mary's Meals, who are also the directors of the charitable company, present their annual report together with the audited financial statements of the charity for the year ended 31 December 2023. The trustees who served during the period covered are set out on page three.

## Strategic report:

### The children at the heart of our mission

#### Overview

At the end of 2023, around 2.4 million children were eating Mary's Meals every school day. This incredible number demonstrates our commitment to keeping our promise to those children, families and communities who rely on our school feeding programmes. We expected at the start of the year that 2023 would not be a year of programme expansion due to continuing global food prices rises. In January we announced an increase in the average cost of feeding a child for a year with Mary's Meals, which now sits at £19.15. This is testament to the challenges faced by the countries where we serve our meals. Taking this extremely difficult context into account, we are delighted to have been able to keep our promise to those 2.4 million children.

Here in the UK, the cost of living crisis continued to affect many people and its impact has been felt across the charitable sector. We saw a reduction in the average gift that people felt able to make, although we were delighted that the number of donations increased. We were very fortunate to be able to lean on our major donors who were able to help us cope with the effects of the cost of living crisis. As ever, we have been inspired and impressed by the generosity of our wonderful supporters, who have found ways to give and fundraise, even in such difficult financial times.

At the end of 2023, our total income had increased by 24%, to more than £23 million on the previous year, which is an incredible result. We were able to make transfers of £21.2 million to Mary's Meals International, for the delivery of the school feeding programme, which was a 38% increase on 2022 and 30% more than we predicted in our budget. We are delighted that our incredible supporters made this possible.

The following strategic report outlines the ways in which we were able to achieve this.

#### Raising awareness

In 2023 a number of activities raised the profile of our work and the need for our school meals.

In February, a devastating earthquake struck in Syria and we immediately launched an emergency appeal. The country was already reeling from more than 10 years of civil war and the earthquake added a new layer of tragedy to a population already scarred by conflict and displacement. Our supporters responded with amazing kindness and raised £592,256, allowing our trusted partner in Syria to provide emergency food aid, hygiene packs and counselling for people affected in Aleppo.

We also ran the Stop Child Hunger campaign, which gave us the opportunity to shine a light on three of the countries where we work and tell the stories of some of the children who eat Mary's Meals each day. In 2023 we launched a new campaign called From Dalmally To Malawi, which encouraged new and existing supporters to collectively cover some of the miles between the village where Mary's Meals was founded and the country where we first served school meals. All these campaigns brought significant numbers of new supporters to Mary's Meals.

Match funding campaigns continue to play a key role in our fundraising and we ran Direct Debits Tripled over the summer and Double The Love in January, November and December, both of which successfully raised funds as well as bringing new people into the organisation.

In 2023 we saw a significant increase year on year in quality media coverage, meaning we were able to reach millions more people here in the UK with news about our work.





A highlight of our media work was the story of Geraldine McFaul, who walked from Glasgow to Rome in order to raise money for our work. She captured the imaginations of many and secured us 39 pieces of quality coverage.

In 2023 we undertook two media trips, to India and Zambia, which saw extensive coverage and two fundraising appeals in My Weekly and The Daily Express respectively.

People who connect to Mary's Meals through their faith are a key audience for Mary's Meals and we reached out to them during our Pray In May and Pray In Ramadan campaigns, as well as through our faith-based Loaves and Fishes quarterly emails. We were delighted to secure media coverage in Universe Catholic Weekly, The Tablet, The Church Times, UCB radio and other faith publications throughout the year.

We were very pleased to be supported by a number of celebrities during 2023. Scarlett and Stuart Douglas, Mark Beaumont, Gary Maclean, Fearn Cotton, Jean Johansson, Pam Rhodes, Giuseppe Dell'Anno, Eilish McColgan, Izzy Judd and many others all lent their support to our campaigns and media work, significantly increasing our reach, especially with new audiences.

A major focus of 2023 was maximising our online presence through search engine optimisation and experimenting with paid digital advertising which showed a clear return on investment to help us feed more hungry children. We saw very positive results from this work. Our online shop continued to perform well as an alternative fundraising mechanism and we created new products including mugs, running T-shirts, dog bandanas and new Christmas card designs.

### Reaching out to our community

Our work is only possible because of the hundreds of people around the UK who volunteer their time to promote our work and raise funds in their local communities. At the end of 2023, we had 679 active Grassroots volunteers, a 17% increase on 2022. This incredible group of people collectively delivered 1,407 talks about our work, a 23% increase year on year. Not only do our Grassroots volunteers spread the word about Mary's Meals through talks, they also organise events, distribute promotional materials and constantly look out for innovative ways to bring more people into the Mary's Meals family. Our movement would not be possible without them and we are constantly grateful for their dedication.

This year we trialled a new approach to our special events in the run up to Christmas to fundraise and to introduce our work to new audiences. In Glasgow and London we held festive markets and in Birmingham we held a Gospel Christmas concert. These events were well-attended and very successful in bringing new supporters to our movement.

### Working in partnership

We continued to develop our portfolio of trusts and foundations and government grants, which includes UK Government, The Scottish Government and People's Postcode Lottery. In addition, we put a focus on corporate outreach and networking, which we hope will continue to grow the number of major funders who give each year to support our work. We continue to partner with Farewill, the UK's largest will writer, offering a free will writing service. We hope this will continue to encourage supporters to help future generations of children by leaving a gift to Mary's Meals.



### A dedicated team

Our commitment to good stewardship of our resources requires us to constantly evaluate our activities to ensure that we can reach as many hungry children as possible. After careful evaluation, we came to the difficult conclusion that our six charity shops were no longer a viable source of income and should close. Sadly, this meant that the positions of Shop Managers and Warehouse Manager were made redundant in 2023.

We said goodbye to Daniel Adams, who stepped down from his role as Executive Director in June, having served Mary's Meals for 12 years. Alan Brown,

our Director of Finance and Operations stepped into the role on an interim basis before he retired in October. Our thanks go to both for their many years of leadership, dedication and passion given to Mary's Meals.

Towards the end of the year, we were delighted to appoint Matt Barlow as our new Executive Director. Matt comes to Mary's Meals with significant charity leadership experience, having led Christians Against Poverty for more than 13 years, where he oversaw significant growth and development.

## Our plans for the future

Our first priority will always be to keep our promise to the children who rely on Mary's Meals. As of the end of 2023, this figure stood at around 2.4 million children in 18 countries.

With more than 67 million primary school-age children around the world missing school because they must work or beg for food, or because they are simply too hungry to learn, we know we have much more still to do.

We always hope to expand our programmes for these children who are waiting for Mary's Meals, but it is vitally important that any expansions to our programmes are done carefully, especially in the current volatile global environment. Our strong MMUK financial performance, and other successes in 2023, make this look more possible in 2024. And so, with the next hungry child in our hearts, we continue our work.



## Our strategic aims

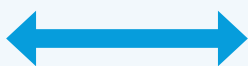
Global strategic aim 1  
**Feed more children**



UK strategic aim 1  
**Proclaim our stories**

The list of schools waiting to receive our meals is long. Mary's Meals UK is passionately driven to play its part in feeding many more little ones and we are determined to give voice to the stories of the children, communities, volunteers and supporters involved in this work.

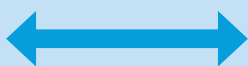
Global strategic aim 2  
**Grow the movement**



UK strategic aim 2  
**Nurture our communities**

We have overwhelming and enduring experience of the innate goodness of people. Mary's Meals UK is committed to building an organisation which is increasingly capable of inviting as many individuals, organisations, and local communities as possible to share in this mission.

Global strategic aim 3  
**Strengthen the organisation**



UK strategic aim 3  
**Deepen our connections**

We believe that the way we do this work is as important as its end results. Mary's Meals UK is dedicated to nurturing an organisational structure and culture which puts our deeply-held values at the heart of everything we do, and prioritises building meaningful and long-lasting relationships with everyone involved in our work.

## Our financial performance

### Financial review

For the year to 31 December 2023, the total income of the charity was £23,732,576. This is an increase of 24% when compared to the previous period. Voluntary income, in the form of donations, grants and Gift Aid, was responsible for 98% of this.

During 2023, we operated six charity shops across Scotland which were supported by a network of committed volunteers. These shops were closed in the period running up to September. The sale of donated goods through these shops, new items through our online shop, and sales through our recycling project all contributed to a retail income in 2023 of £357,887, which is included in the total income.

The total expenditure for the same period was £24,553,307 – or £24,126,204 excluding trading expenditure. We spent £22,857,960 on our charitable activities, equalling 94.7% of every £1 of total expenditure (excluding trading costs). This exceeds our commitment to spend at least 93p of every £1 on our charitable activities.

During the year to 31 December 2023 there was a net deficit of £820,474. The deficit arose from a transfer to MMI of previously held reserves due to a change in reserves policy in 2023 (detailed below) and also from timing differences associated with accrued income at the end of the year.

### Reserves policy and going concern

The reserves policy of the charity was reviewed by the board in 2023 and changed from a policy of holding six months of running costs to three. Thus, the reserves policy of the charity at 31 December 2023 was to retain sufficient funds required to meet three months' running costs. On this basis, the charity would expect to hold minimum reserves of £891,448 plus any accrued income yet to be received.

Due to the change in reserves policy, the charity released reserves of £769,798 which were transferred to MMI to be used in programmatic delivery.

The total reserves at 31 December 2023 were £2,439,290, which included significant accrued income yet to be received. All of these reserves were unrestricted and the reserves surplus held at year-end therefore meets the reserves policy. The reserves held at 31 December 2023 are lower than the previous year by £820,474. This is largely due to the release of reserves of £769,798 due to the change in reserves policy in 2023.

All accrued income will be transferred to Mary's Meals International in 2024, as it is received, to support programme delivery. At the year-end, actual reserves held, continued maintenance of the reserves policy, and future business planning forecast including cash flow are used to confirm that the going concern principle applies for at least 12 months from the date that the statutory accounts are approved by the board.

### Volunteers

Consistent with previous years, Mary's Meals has benefited tremendously from the contribution of many volunteers who have given willingly of their time to help realise our vision. Across the UK and the wider global movement, volunteers are engaged every day in fundraising activities, promoting awareness of our work, and delivering our programmes.

While the financial impact of this support cannot be easily quantified, the selfless contribution of so many volunteers has a huge impact on the success of Mary's Meals and will continue to be a key part of our work in future.









## Our structure, governance and management

### Governance

The charity is governed by the Articles of Association and is a company limited by guarantee. In November 2018, the Scottish Governance Code for the Third Sector was introduced (updated in 2022/23). It sets out the core principles and key elements of good governance for the boards of charities, voluntary organisations and social enterprises in Scotland. It is the first code to be produced specifically for Scotland's third sector, recognising the need for the sector to have its own principles of governance.

The code sets out five core principles aimed at encouraging third sector organisations to look at and improve their governance.

Although the code is not mandatory, Mary's Meals board members have agreed to adopt it as a general governance standard and use it as a benchmark to ensure the board continues to challenge and strengthen its governance of the organisation.

Principles	Purpose
Organisational purpose	A well-run board is clear about the purpose and values of the organisation and how it will achieve its aims.
Leadership	A well-run board is clear about its role and responsibilities and provides strategic direction in line with the organisation's purpose, vision and values.
Board behaviour	A well-run board, both collectively and individually, embraces and demonstrates mutual respect, integrity, openness and accountability.
Control	A well-run board will develop and implement appropriate controls to direct and oversee progress and performance of the organisation.
Effectiveness	A well-run board understands its role, powers and duties and works collectively and proactively, to achieve its organisational purpose.

## Leadership of the charity

The charity is governed by the board of directors, which meets on a quarterly basis. The composition of the board is monitored regularly to ensure that members have the necessary skills, expertise and shared vision to govern the charity. A budget is set annually and submitted to the board directors for approval.

The Audit, Risk and Remuneration Committee, which was established as a sub-committee of the board in 2017, meets quarterly to assess the risks to which the organisation has exposure.

An Executive Director is appointed to manage the day-to-day operations of the charity. To facilitate effective operations, the Executive Director has delegated authority from the trustees.

The organisation's senior team provides leadership across the following functions:

- **Communications:** raising mass awareness of our work in order to bring more people to the movement and raise funds, and overseeing all communications with supporters and the wider public in the UK.
- **Supporter Engagement:** growing our volunteer networks, fundraising, and stewarding supporter relationships to enable people to support the organisation in line with our vision, mission and values.
- **Finance and Operations:** providing support and ensuring the smooth day-to-day running of the organisation, with responsibility for financial leadership, data, information technology, facilities and administration.
- **People:** providing human resources expertise, which enables the organisation to recruit, retain and empower our people – both staff and volunteers – to play their part in our mission.

A Safeguarding Committee reports directly to the Senior Leadership Team and ultimately to the Audit, Risk and Remuneration Committee. The committee, which meets quarterly, is a key part of the framework which ensures Mary's Meals continues to meet its commitments towards the protection of children and vulnerable adults.

## Our directors/trustees

As set out in the Articles of Association, the maximum number and minimum number of board directors may be determined from time to time by ordinary resolution (a majority vote of board trustees). This means there is no maximum number of directors and the minimum number of directors is three. New directors are thoroughly vetted prior to any appointment. Every person who expresses an interest in becoming a board member submits an application for membership, with the directors approving any appointment.

Board members are briefed on their legal responsibilities and supplied with a copy of the Memorandum and Articles of Association. They are also made aware of external training opportunities. Board members commit to uphold the aims, vision, mission and values of the organisation. A list of directors who served during the financial year ending 31 December 2023 is included on page three of this report.

## Approach to remuneration

The board members consider the board of directors and the Senior Leadership Team to be the key leadership personnel of the charity, in charge of directing and operating the charity on a day-to-day basis. The pay and remuneration for all employees of the charity is reviewed annually and governed by the Audit, Risk and Remuneration Committee, which consists of three members of the Mary's Meals board.

Benchmarking shows that Mary's Meals pays significantly less than the market rate for senior roles compared with other similar organisations. This reflects our long-standing commitment to pay restraint at senior levels in the organisation. Recognising the difference in pay compared with other organisations, Mary's Meals is committed to being a great place to work and offering an attractive package of non-financial benefits, such as flexible working and access to an employee assistance programme.

## Related parties

None of the trustees received remuneration or other benefit from their work with the charity.

As permitted by the Articles of Association, the directors have the benefit of an indemnity, which is a qualifying third-party indemnity provision as defined by Section 284 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently still in force. The company also purchased and maintained liability insurance for its directors and officers throughout the financial year.



## Risk management

The trustees have overall responsibility for ensuring that Mary's Meals has assessed the major risks to which it is exposed and has a risk management strategy which comprises:

- A quarterly review of the principal risks that the charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified in the quarterly review.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

**Current key risks and high-level mitigation strategies are outlined below.**

Potential risks	Mitigation strategies
Inability to recruit and retain the right people most suited to furthering the mission.	Continue to strengthen organisational culture, based on authentically living our values, and offer a compelling package of non-financial benefits.
Failure to manage our finances effectively and sustainably.	Maintain robust accounting processes and financial controls, and preserve our rigorous approach to budget planning and forecasting.
Loss of key leaders the organisation depends upon, who cannot be replaced easily.	Ensure sufficient emphasis is placed on knowledge-sharing and succession planning throughout the organisation.
Inability to adapt to local, national or international political or economic changes.	Uphold and communicate clearly Mary's Meals' values and approach in the UK environment and, globally, work with Mary's Meals International colleagues to select, in so far as is possible, stable programme environments.
Failure to build on or maintain the confidence, satisfaction and trust of stakeholders.	Continue to focus on building meaningful, long-term relationships with our supporters, and deliver on our promise to be good stewards of the funds entrusted to us.
Inability to identify and maximise opportunities for sustainable growth and increased awareness.	Maintain our primary focus on growing grassroots support, holding true to the Mary's Meals fundraising model, while also allowing space for innovation which is in-keeping with our principles.
Failure to effectively protect, promote and manage Mary's Meals' identity and message.	Regulate use of our brand, key messages and values to ensure consistency and accuracy in all UK communications.
Failure to ensure effective and transparent governance arrangements are in place.	Promote a responsible, accountable and transparent organisation that meets the requirements of internal and external stakeholders.



## Statement of trustees' responsibilities

The trustees (who are also directors of Mary's Meals for the purposes of company law) are responsible for preparing the trustees' annual report (including the strategic report) and the financial statements in accordance with applicable laws and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in The Charities Statement of Recommended Practice (SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose, 'with reasonable accuracy', at any time the

financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable auditor is unaware.
- The trustees have each taken all the steps that they ought to have taken as a trustee in order to make them aware of any relevant audit information, and to establish that the company's auditors are aware of that information.

The trustees approve the trustees' annual report (including the strategic report) in their capacity as company directors.

On behalf of the board,

Dr Graham Paterson  
Chair of Trustees

Date: 22 July 2024

# Independent auditor's report to the trustees and members

## Opinion

We have audited the financial statements of Mary's Meals (the 'charitable company') for the year ended 31 December 2023, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## Basis for opinion

We have been appointed auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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 charitable company'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report and the strategic report prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the strategic report, included within the trustees' annual report, have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report, included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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



## Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's responsibilities for the audit of the financial statements

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

## The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of

- irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Data Protection and GDPR. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

## Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and 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, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Kelly Adams*

Kelly Adams (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

3rd Floor, 2 Sample Street,

Edinburgh, EH3 8BL

Date: 25/07/24

RSM UK Audit LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

# Statement of financial activities

(incorporating the income and expenditure account)  
for the year ended 31 December 2023

	Note	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
<b>Income from:</b>							
Donations and legacies	4	17,407,059	5,880,838	23,287,897	13,921,037	4,636,288	18,557,325
Other income	5	5,029	-	5,029	8,004	-	8,004
Other trading activities	6	400,688	-	400,688	557,109	-	557,109
Investments		38,962	-	38,962	15,060	-	15,060
<b>Total income</b>		<b>17,851,738</b>	<b>5,880,838</b>	<b>23,732,576</b>	<b>14,501,210</b>	<b>4,636,288</b>	<b>19,137,498</b>
<b>Expenditure on:</b>							
Raising funds	7	(1,695,347)	-	(1,695,347)	(1,609,582)	-	(1,609,582)
Charitable activities	8-9	(16,977,122)	(5,880,838)	(22,857,960)	(12,514,658)	(4,636,288)	(17,150,946)
<b>Total expenditure</b>		<b>(18,672,469)</b>	<b>(5,880,838)</b>	<b>(24,553,307)</b>	<b>(14,124,240)</b>	<b>(4,636,288)</b>	<b>(18,760,528)</b>
<b>Net (expenditure)/income</b>		<b>(820,731)</b>	<b>-</b>	<b>(820,731)</b>	<b>373,970</b>	<b>-</b>	<b>376,970</b>
<b>Other recognised gains</b>							
Other gains/(losses)		257	-	257	(2,224)	-	(2,224)
<b>Net movement in funds</b>		<b>(820,474)</b>	<b>-</b>	<b>(820,474)</b>	<b>374,746</b>	<b>-</b>	<b>374,746</b>
<b>Reconciliation of funds</b>							
Total funds brought forward	18	3,259,764	-	3,259,764	2,885,018	-	2,885,018
Total funds carried forward	18	2,439,290	-	2,439,290	3,259,764	-	3,259,764

All amounts relate to continuing operations.

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

The notes on pages 23-37 form an integral part of these financial statements.

# Balance sheet

as at 31 December 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	14	46,151	137,498
<b>Current assets</b>			
Debtors	15	1,608,753	1,629,585
Cash at bank and in hand		1,478,374	2,494,864
<b>Total current assets</b>		<b>3,087,127</b>	<b>4,124,449</b>
<b>Liabilities</b>			
Creditors: falling due within one year	16	(693,988)	(1,002,183)
<b>Net current assets</b>		<b>2,393,139</b>	<b>3,122,266</b>
<b>Total assets less current liabilities</b>	17	<b>2,439,290</b>	<b>3,259,764</b>
<b>The funds of the charity:</b>			
Unrestricted income funds	18-19	2,439,290	3,259,764
<b>Total charity funds</b>		<b>2,439,290</b>	<b>3,259,764</b>

The financial statements on pages 20-37 were approved and authorised for issue by the board of directors on 22 July 2024 and signed on its behalf by:



Dr Graham Paterson  
Chair of Trustees



# Statement of cash flows

## for the year ended 31 December 2023

	2023 £	2022 £
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(1,037,603)</b>	<b>(277,501)</b>
<b>Cash flows from investing activities</b>		
Investment income	38,962	15,060
Proceeds from sale of fixed assets	4,191	58
Purchase of tangible fixed assets	(22,297)	(38,432)
<b>Net cash provided by investing activities</b>	<b>20,856</b>	<b>(23,314)</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(1,016,747)</b>	<b>(300,815)</b>
Cash and cash equivalents at the beginning of the period	2,494,864	2,797,903
Change in cash and cash equivalents due to exchange rate movements	257	(2,224)
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>1,478,374</b>	<b>2,494,864</b>

### Reconciliation of net movement in funds to net cash flows from operating activities

	2023 £	2022 £
Net income for the reporting period	(820,731)	376,970
Decrease/(increase) in debtors	20,833	(563,818)
Investment income	(38,962)	(15,060)
Depreciation charge	73,390	69,636
Impairment of fixed assets	36,109	-
Proceeds from sale of fixed assets	(4,191)	-
Gain on sale of fixed assets	4,145	192
(Decrease) in creditors/accruals	(308,196)	(145,421)
<b>Net cash (used in)/provided by operating activities</b>	<b>(1,037,603)</b>	<b>(277,501)</b>

### Analysis of changes in net debt movement

	At 1 Jan 2023	Cash flows	Foreign exchange	At 31 Dec 2023
<b>Cash and cash equivalents</b>				
<b>Cash</b>	<b>2,494,864</b>	<b>(1,016,747)</b>	<b>257</b>	<b>1,478,374</b>

# Notes to the financial statements

## for the year ended 31 December 2023

### 1. General information

Mary's Meals UK is part of an international movement which, as its principal activity, sets up community-run school feeding projects in some of the world's poorest countries, where poverty and hunger prevent children from gaining an education.

Our idea is a simple one that works. We provide one daily meal in a place of learning to attract chronically poor children into the classroom, where they receive an education that can, in the future, be their ladder out of poverty.

Mary's Meals UK supports the international school feeding programmes by transferring funds to Mary's Meals International to feed children. In order to fulfil this commitment, Mary's Meals UK carries out fundraising and awareness-raising activities across the UK. Mary's Meals has two offices, but as a remote first organisation, has staff and volunteers all around the UK.

The charity is a company limited by guarantee and is a registered charity in Scotland. The charity meets the definition of a public benefit entity.

All amounts are presented in Pounds Sterling and rounded to the nearest pound.

### 2. Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Companies Act 2006, the Charity Accounts (Scotland) Regulations 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

### 3. Accounting policies

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 3.1. Going concern

Mary's Meals generated net outgoing resources before transfers of £820,474 (2022: surplus £374,746) for the year and at 31 December 2023 had net assets of £2,439,290 (2022: £3,259,764). As at 31 December 2023 it had net current assets of £2,393,139 (2022: £3,122,266).

The trustees have considered the appropriateness of the going concern status of the charity and consider that the organisation is well placed to manage its business risks successfully despite the current economic climate.

In line with its business plan, which covers 18 months from the date that the accounts are approved by the board, the charity projects to maintain a good level of cash reserves in line with its reserve policy.

The directors therefore believe it is appropriate that the going concern basis of accounting continues to be adopted in preparing the annual financial statements.

The Audit, Risk and Remuneration Committee will continue to review the long-term financial future of the charity as well as ongoing management accounts, forecasts and cash flow forecasts.

### 3.2. Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income includes:

#### Donations and legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Donations are recognised when receivable.

#### Grant income

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific conditions and is recognised as earned when the conditions are met and is deferred when not. Grant funding included in this category provides funding to support activities and is recognised where there is entitlement, probability of receipt, and the amount can be measured with sufficient reliability.

#### Government grant income

Income from charitable activities includes income received in the form of government grants where there were no performance-related conditions and is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

#### Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is recognised on a receivable basis.

#### Donated services

The value of donated services provided to the charity is recognised as income at their open market value in the period in which they are receivable and where the benefit can be reliably measured. An equivalent amount is included as expenditure in the Statement of Financial Activities except where the donated services are fixed assets. In this case, the amount is included in the appropriate fixed asset category and depreciated over the useful economic life of the asset in accordance with the tangible fixed asset and depreciation policy.

#### Donated goods

Donated goods are received by the charity as goods for resale through the charity's shops. The income generated from goods donated for resale through the charity shops is recognised as 'income from other trading activities'. As it is impractical to assess the fair value of the donated goods due to the volume of low-value items received, the income is not recognised in the financial statements until the donated goods are sold.

### 3.3. Expenditure on raising funds and charitable activities

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to pay. Any costs directly attributable to specific categories have been included in those cost categories in the Statement of Financial Activities (SOFA). Other costs, which are attributable to more than one activity, are apportioned across categories on the basis of an estimate of the proportion attributable. The charity is registered for VAT and all expenditure is shown inclusive of any irrecoverable VAT applicable.

Expenditure on raising funds includes fundraising costs and trading costs. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Trading costs are costs related to running the charity's shops.



Expenditure on charitable activities includes raising awareness costs, governance costs, support costs, and programme expenditure.

Raising awareness costs include the dissemination of information in support of charitable activities.

Governance costs are those incurred directly in connection with compliance with constitutional and statutory requirements, together with a proportion of salary costs relating solely to the strategic management of the charity.

Programme expenditure relates to the transfer of free funds to Mary's Meals International for the running of the school feeding programmes.

### 3.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life. Rates are as follows:

Leasehold properties	Straight line over the life of the lease
Plant and machinery	15 - 33% straight line
Fixtures, fittings and equipment	15 - 33% straight line
Motor vehicles	25 - 33% straight line
Computer equipment	25 - 33% straight line

### 3.5. Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provision of the instrument and are offset only when the charity has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Financial assets

##### Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction, are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price, less any amounts settled and any impairment losses. Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

#### Financial liabilities

##### Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

### **3.6. Critical accounting estimates and areas of judgement**

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### **3.7. Reserves accounting**

The policy of the charity as at 31 December 2023 was to retain sufficient funds required to meet three months' running costs in respect of salaries, premises, costs etc. Unrestricted funds are used for general purposes and restricted funds are used for a specific purpose in line with donors' wishes.

### **3.8. Defined contribution pension schemes**

The charity has in place a group pension scheme to make available pension provision to all UK national employees who have been continuously employed for three months. Contributions in respect of the company's defined contribution pension scheme are charged to the income and expenditure account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

### **3.9. Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at an appropriate rate of exchange. Transactions in foreign currencies are recorded at the rate at the date of the transactions. All differences are taken to the statement of financial activities.

### **3.10. Operating leases**

Operating leases held relate to the rental lease for the Claremont Centre office and the charity's shops. These are accounted for in the statement of financial activities on a straight-line basis over the life of the lease.

#### 4. Donations and legacies

Summary financial performance of the charity:

Total donations and legacies	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Donations	12,178,182	1,740,957	13,919,139	8,982,112	1,301,758	10,283,870
Legacies	2,271,575	-	2,271,575	1,773,299	5,000	1,778,299
Grants and trusts	1,703,112	4,139,881	5,842,993	1,387,242	3,329,530	4,716,772
Tax reclaimed on Gift Aid	1,254,190	-	1,254,190	1,424,597	-	1,424,597
Value of donated aid	-	-	-	353,787	-	353,787
<b>Totals</b>	<b>17,407,059</b>	<b>5,880,838</b>	<b>23,287,897</b>	<b>13,921,037</b>	<b>4,636,288</b>	<b>18,557,325</b>

Donations	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Unrestricted	12,178,182	-	12,178,182	8,982,112	-	8,982,112
Malawi	-	743,114	743,114	-	704,071	704,071
Syria	-	537,756	537,756	-	510	510
Liberia	-	144,366	144,366	-	242,631	242,631
Zambia	-	129,262	129,262	-	56,002	56,002
Ethiopia	-	60,870	60,870	-	17,207	17,207
Yemen	-	42,683	42,683	-	9,213	9,213
South Sudan	-	36,719	36,719	-	160,428	160,428
Romania Homes	-	14,711	14,711	-	14,161	14,161
Haiti	-	12,116	12,116	-	15,191	15,191
Kenya	-	12,097	12,097	-	49,929	49,929
India	-	6,553	6,553	-	7,235	7,235
Lebanon	-	460	460	-	166	166
Madagascar	-	200	200	-	24,246	24,246
Zimbabwe	-	50	50	-	392	392
Uganda	-	-	-	-	344	344
Ecuador	-	-	-	-	16	16
Benin	-	-	-	-	16	16
<b>Totals</b>	<b>12,178,182</b>	<b>1,740,957</b>	<b>13,919,139</b>	<b>8,982,112</b>	<b>1,301,758</b>	<b>10,283,870</b>



**4. Donations and legacies (continued)**

Legacies	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Unrestricted	2,271,575	-	2,271,575	1,773,299	-	1,773,299
Kenya	-	-	-	-	5,000	5,000
<b>Totals</b>	<b>2,271,575</b>	<b>-</b>	<b>2,271,575</b>	<b>1,773,299</b>	<b>5,000</b>	<b>1,778,299</b>

Grants and trusts	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Unrestricted	1,703,112	-	1,703,112	1,387,242	-	1,387,242
Malawi	-	1,165,003	1,165,003	-	879,051	879,051
Zimbabwe	-	1,095,504	1,095,504	-	273,876	273,876
Zambia	-	141,837	141,837	-	127,126	127,126
Zambia FCDO grant	-	10,452	10,452	-	592,442	592,442
Liberia	-	116,740	116,740	-	116,976	116,976
Liberia FCDO grant	-	737,541	737,541	-	555,931	555,931
Kenya	-	346,701	346,701	-	271,578	271,578
Ethiopia	-	206,666	206,666	-	231,000	231,000
Madagascar	-	135,000	135,000	-	122,000	122,000
South Sudan	-	78,666	78,666	-	71,550	71,550
Haiti	-	72,252	72,252	-	60,000	60,000
Syria	-	24,500	24,500	-	10,000	10,000
Uganda	-	9,000	9,000	-	8,000	8,000
Myanmar	-	19	19	-	-	-
Yemen	-	-	-	-	10,000	10,000
<b>Totals</b>	<b>1,703,112</b>	<b>4,139,881</b>	<b>5,842,993</b>	<b>1,387,242</b>	<b>3,329,530</b>	<b>4,716,772</b>

## 5. Other income

	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Income from sale of asset	4,191	-	4,191	-	-	-
Capital Grant Income	838	-	838	1,716	-	1,716
GCVS Grant	-	-	-	6,288	-	6,288
<b>Totals</b>	<b>5,029</b>	<b>-</b>	<b>5,029</b>	<b>8,004</b>	<b>-</b>	<b>8,004</b>

## 6. Other trading activities

	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Shops	345,593	-	345,593	488,580	-	488,580
Recycling	12,294	-	12,294	18,439	-	18,439
Value of donated van lease	4,082	-	4,082	4,898	-	4,898
Miscellaneous	38,719	-	38,719	45,192	-	45,192
<b>Totals</b>	<b>400,688</b>	<b>-</b>	<b>400,688</b>	<b>557,109</b>	<b>-</b>	<b>557,109</b>

## 7. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Fundraising	1,254,005	-	1,254,005	1,120,730	-	1,120,730
Trading	441,342	-	441,342	488,852	-	488,852
<b>Totals</b>	<b>1,695,347</b>	<b>-</b>	<b>1,695,347</b>	<b>1,609,582</b>	<b>-</b>	<b>1,609,582</b>
<b>Fundraising analysis by cost</b>						
Employee costs	961,576	-	961,576	892,347	-	892,347
Property costs	36,120	-	36,120	24,273	-	24,273
Travel costs	17,512	-	17,512	13,589	-	13,589
Administration	199,839	-	199,839	166,770	-	166,770
Loss on sale of asset	296	-	296	37	-	37
Impairment of assets	15,586	-	15,586	-	-	-
Depreciation	23,076	-	23,076	23,714	-	23,714
<b>Totals</b>	<b>1,254,005</b>	<b>-</b>	<b>1,254,005</b>	<b>1,120,730</b>	<b>-</b>	<b>1,120,730</b>
<b>Trading analysis by cost</b>						
Employee costs	281,418	-	281,418	306,521	-	306,521
Property costs	94,229	-	94,229	122,942	-	122,942
Travel costs	13,852	-	13,852	10,697	-	10,697
Administration	14,600	-	14,600	19,996	-	19,996
Purchases for resale	14,239	-	14,239	20,100	-	20,100
Loss on sale of asset	2,803	-	2,803	86	-	86
Depreciation	20,201	-	20,201	8,510	-	8,510
<b>Totals</b>	<b>441,342</b>	<b>-</b>	<b>441,342</b>	<b>488,852</b>	<b>-</b>	<b>488,852</b>

Termination of the office lease and a move to a shared office in early in 2024 resulted in impairment losses of £36,109 which were accrued in 2023.

Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Totals £
11,252	9,289	15,568	<b>36,109</b>



## 8. Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Raising awareness	1,562,096	-	1,562,096	1,309,322	-	1,309,322
Governance	85,423	-	85,423	84,202	-	84,202
Backpacks and shipped aid	763	-	763	420,828	-	420,828
Programme expenditure	15,328,840	5,880,838	21,209,678	10,700,306	4,636,288	15,336,594
<b>Total charitable activities</b>	<b>16,977,122</b>	<b>5,880,838</b>	<b>22,857,960</b>	<b>12,514,658</b>	<b>4,636,288</b>	<b>17,150,946</b>

<b>Raising awareness analysis by cost</b>						
Employee costs	1,292,276	-	1,292,276	1,136,582	-	1,136,582
Property costs	47,855	-	47,855	31,405	-	31,405
Travel costs	30,028	-	30,028	27,993	-	27,993
Administration	141,065	-	141,065	84,255	-	84,255
Loss on sale of asset	393	-	393	40	-	40
Impairment of assets	20,523	-	20,523	-	-	-
Depreciation	29,956	-	29,956	29,047	-	29,047
<b>Totals</b>	<b>1,562,096</b>	<b>-</b>	<b>1,562,096</b>	<b>1,309,322</b>	<b>-</b>	<b>1,309,322</b>

<b>Governance analysis by cost</b>						
Employee costs	50,639	-	50,639	51,676	-	51,676
Travel costs	491	-	491	900	-	900
Office costs	224	-	224	3	-	3
Administration	2,081	-	2,081	2,244	-	2,244
Auditor's remuneration	23,661	-	23,661	14,032	-	14,032
Legal fees	495	-	495	3,431	-	3,431
Bank charges	6,276	-	6,276	9,841	-	9,841
Governance costs	1,508	-	1,508	1,745	-	1,745
Depreciation	48	-	48	330	-	330
<b>Totals</b>	<b>85,423</b>	<b>-</b>	<b>85,423</b>	<b>84,202</b>	<b>-</b>	<b>84,202</b>

Included in backpacks and shipped aid is shipping expenditure as follows:

	Shipping £	Aid £	2023 totals £	Shipping £	Aid £	2022 totals £
Aid shipped to Malawi	-	-	-	-	358,748	358,748
Backpack carriage costs	-	-	-	18,984	-	18,994
Support costs (see Note 9)	-	763	763	-	43,096	43,096
<b>Totals</b>	<b>-</b>	<b>763</b>	<b>763</b>	<b>18,984</b>	<b>401,844</b>	<b>420,828</b>

## 9. Analysis of support costs

	Unrestricted funds £	Restricted funds £	2023 totals £	Unrestricted funds £	Restricted funds £	2022 totals £
Employee costs	-	-	-	31,285	-	31,285
Property costs	-	-	-	1,201	-	1,201
Travel costs	-	-	-	7,084	-	7,084
Administration	-	-	-	659	-	659
Loss on disposal of asset	654	-	654	-	-	-
Depreciation	109	-	109	2,867	-	2,867
<b>Totals</b>	<b>763</b>	<b>-</b>	<b>763</b>	<b>43,096</b>	<b>-</b>	<b>43,096</b>

Support costs are allocated to shipped aid as direct costs of staff involved and running costs of the aid warehouse.

## 10. Total resources expended through the year included the following:

	2023 £	2022 £
Depreciation and other amounts written off tangible fixed assets	109,499	69,828
Operating lease rentals	89,745	102,371
Auditor's remuneration	23,661	14,032

## 11. Employees

Employment costs	2023 £	2022 £
Wages and salaries	2,201,177	2,039,385
Social security costs	197,871	182,997
Other pension costs	165,538	154,999
<b>Totals</b>	<b>2,564,586</b>	<b>2,377,381</b>

Number of employees	2023	2022
<b>Monthly average</b>	<b>Number</b>	<b>Number</b>
Programme support	-	1
Fundraising	23	23
Trading	7	10
Raising awareness	30	29
Governance	1	1
<b>Totals</b>	<b>61</b>	<b>64</b>

The charity shops and warehouse closures resulted in 8 staff redundancies in 2023. The redundancy payments in the year totalled £42,323 (2022: Nil) of which £42,323 has been paid during the year with £Nil (2022: Nil) accrued at the end of the year.

### Key management compensation

Key management compensation includes the Executive Director and three senior directors, collectively known as the Senior Leadership Team. The compensation paid to key management for employee services is shown below:

Employment costs	2023 £	2022 £
Wages and salaries	242,071	250,091
Social security costs	28,782	31,230
Other pension costs	18,423	18,774
<b>Totals</b>	<b>289,276</b>	<b>300,095</b>

The number of employees whose emoluments excluding pension contributions and employers' national insurance were in excess of £60,000 was:

	2023	2022
	Number	Number
£60,000-£70,000	2	3
£70,000-£80,000	-	1

The reduced number of employees in this bracket is accounted for by the timing of leadership recruitment in 2023.

## 12. Pension costs

The organisation operates a defined contribution pension scheme in respect of staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £165,537 (2022: £154,999). At 31 December 2023, an amount of £Nil was accrued in the financial statements (2022: Nil).

## 13. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Corporation Tax Act 2010. Accordingly, there is no taxation charge in these financial statements.



**14. Tangible assets**

	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Totals £
<b>Cost</b>						
At January 2023	111,421	42,057	98,396	13,663	136,906	402,443
Additions	4,911	277	-	-	17,109	22,297
Disposals	(28,698)	(6,006)	(50,729)	(13,663)	(6,113)	(105,209)
<b>At 31 December 2023</b>	<b>87,634</b>	<b>36,328</b>	<b>47,667</b>	<b>-</b>	<b>147,902</b>	<b>319,531</b>
<b>Depreciation</b>						
At 1 January 2023	63,464	18,063	70,188	13,663	99,568	264,946
Charge for the year	40,874	5,996	7,769	-	18,751	73,390
Impairment of assets	11,252	9,289	15,568	-	-	36,109
Released on disposal	(27,956)	(3,298)	(50,035)	(13,663)	(6,113)	(101,065)
<b>At 31 December 2023</b>	<b>87,634</b>	<b>30,050</b>	<b>43,490</b>	<b>-</b>	<b>112,206</b>	<b>273,380</b>
<b>Net book value</b>						
<b>At 31 December 2023</b>	<b>-</b>	<b>6,278</b>	<b>4,177</b>	<b>-</b>	<b>35,696</b>	<b>46,151</b>
<b>At 31 December 2022</b>	<b>47,957</b>	<b>23,994</b>	<b>28,208</b>	<b>-</b>	<b>37,338</b>	<b>137,497</b>

**15. Debtors**

	2023 £	2022 £
Prepayments and accrued income	1,602,322	1,617,191
Other debtors	6,431	12,394
<b>Totals</b>	<b>1,608,753</b>	<b>1,629,585</b>

**16. Creditors: amounts falling due within one year**

	2023 £	2022 £
Trade creditors	32,644	11,527
Taxation and social security	58,040	53,302
Accruals and deferred income	594,827	934,912
Other creditors	8,477	2,442
<b>Totals</b>	<b>693,988</b>	<b>1,002,183</b>

**17. Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	2023 total funds £	2022 total funds £
Tangible assets	46,151	-	46,151	137,498
Current assets	3,087,127	-	3,087,127	4,124,449
Current liabilities	(693,988)	-	(693,988)	(1,002,183)
<b>Totals</b>	<b>2,439,290</b>	<b>-</b>	<b>2,439,290</b>	<b>3,259,764</b>

**18. Unrestricted and restricted funds**

	At 1 Jan 2023 £	Incoming resources £	Outgoing resources £	Gain on currency revaluation £	At 31 Dec 2023 £
Unrestricted funds	3,259,764	17,851,738	(18,672,469)	257	2,439,290
Restricted funds	-	5,880,838	(5,880,838)	-	-
<b>Totals</b>	<b>3,259,764</b>	<b>23,732,576</b>	<b>(24,553,307)</b>	<b>257</b>	<b>2,439,290</b>

## 19. Restricted funds

	At 1 Jan 2023 £	Incoming resources £	Outgoing resources £	At 31 Dec 2023 £
Malawi	-	1,908,117	(1,908,117)	-
Zimbabwe	-	1,095,554	(1,095,554)	-
Syria	-	592,256	(592,256)	-
Zambia	-	271,099	(271,099)	-
Zambia FCDO grant	-	10,452	(10,452)	-
Liberia	-	261,106	(261,106)	-
Liberia FCDO grant	-	737,541	(737,541)	-
Kenya	-	358,798	(358,798)	-
Ethiopia	-	267,536	(267,536)	-
Madagascar	-	135,200	(135,200)	-
South Sudan	-	115,385	(115,385)	-
Haiti	-	84,368	(84,368)	-
Yemen	-	42,683	(42,683)	-
Romania Homes	-	14,711	(14,711)	-
Uganda	-	9,000	(9,000)	-
India	-	6,553	(6,553)	-
Lebanon	-	460	(460)	-
Myanmar	-	19	(19)	-
<b>Totals</b>	-	<b>5,880,838</b>	<b>(5,880,838)</b>	-

Donations are received by Mary's Meals as restricted donations for specific country programmes. Restricted income can only be used for the specific purpose for which it was donated.

## 20. Financial commitments

At 31 December 2023 the charity had annual commitments under non-cancellable operating leases as follows:

Rental leases	2023 £	2022 £
<b>Expiry date</b>		
Within one year	9,467	63,935
Between one and five years	-	38,436
In more than five years	-	-
<b>Totals</b>	<b>9,467</b>	<b>102,371</b>



## 21. General commitments

The company operates a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The annual pension commitment under this scheme is for contributions of £165,537 (2022: £154,999). At 31 December 2023, an amount of £Nil was accrued in the financial statements (2022: Nil).

## 22. Committed resources

Mary's Meals has a reserves policy such that three months' operating expenses are maintained within reserves. Based on the approved budget for the 2023 financial year, budgeted reserves are £891,448. The income raised by Mary's Meals UK's fundraising activities are remitted to Mary's Meals International Organisation (MMI), which is responsible for the delivery of the programmes.

## 23. Trustees and related parties

In accordance with the Memorandum and Articles of Association, directors may only receive remuneration for services undertaken in the administration of the charity provided that it is authorised by the board, is within the limits laid down, and as long as a majority of the board members are acting without remuneration. No directors received remuneration for services from the charity in the year ended 31 December 2023.

A total of £108 was paid for travel expenses for six directors in 2023. (2022: a total of £1,473 was paid for travel expenses for three directors.)

## 24. Company limited by guarantee

Mary's Meals is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required, not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

## **Mary's Meals**

(A company limited by guarantee)

### **Trustees' annual report and financial statements**

For the year ended 31 December 2023

**Charity number:** SC022140

**Company number:** SC265941

