



Trustees' annual report and financial statements

Mary's Meals International Organisation (A company limited by guarantee)
For the year ended 31 December 2019

Charity number: SC045223 Company number: SC488380

mary's
meals

a simple solution
to world hunger

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An important note on organisation names

“Mary’s Meals International Organisation” is the legal name for the entity which co-ordinates and leads the global network of Mary’s Meals organisations. In practice, this is often referred to simply as Mary’s Meals International or MMI.

“Mary’s Meals” is the legal name for the entity which raises awareness and funds for the network’s programmes in the United Kingdom.

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 UK-focused organisation, in this document, as Mary’s Meals UK or MMUK.

Legal and administrative information

Charity number SC045223
Company registration number SC488380

Business address

Craig Lodge
Dalmally
Argyll
Scotland
PA33 1AR

Registered office

Craig Lodge
Dalmally
Argyll
Scotland
PA33 1AR

Trustees

David Clayton
Peter Higgins
Jacob Allen
Dr Željka Markić
Dr Christian Stelzer
Mark McGreevy
Ana Luisa Diez de Rivera-Laffont
Charles McGhee
Bishop John Keenan
Marie Da Silva
John Darley (appointed 24 March 2020)

Secretary

Michael Ferguson (appointed 6 December 2019)
Janet Haugh (resigned 5 December 2019)

Chief Executive

Magnus MacFarlane-Barrow (appointed 4 November 2019)
Janet Haugh (resigned 4 November 2019)

Auditor

RSM UK Audit LLP
First Floor, Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Bankers

Royal Bank of Scotland plc
88 Main Street
Rutherglen
Glasgow
G73 2JA

Investec Bank plc
30 Gresham Street
London
EC2V 7QP

Nationwide Building Society
PO Box 3, 5-11 St Georges Street
Douglas, Isle of Man, IM99 1AS



Our year in numbers

1,667,067
children fed

Working with communities
to feed children in

18 countries

We welcomed
242,054
children into our
global programmes



A total income of **£24.7 million**



of donations
were spent
on charitable
activities

**15 affiliate
organisations**
growing the global movement



Actual cost per child:

£12.97

Budgeted cost per child: **£13.90**

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.

Chair's report



As I present the Mary's Meals International Organisation annual report for the year ending 31 December 2019, I would like to thank the many supporters who make our work possible and all those who are dedicated to leading and serving this important mission to provide children with a daily meal in their place of education.

At the close of the decade, our school feeding programmes – delivered in collaboration with some of the world's poorest communities – were providing life-changing meals to 1,667,067 children in 18 countries every school day. This represents a growth of 17% compared to the start of the year, with 242,054 children being added to the programme during 2019.

It truly has been a year of amazing growth in both impact and reach – our dedicated teams and partners have implemented successful expansions to our existing programmes in Madagascar, Ethiopia, Haiti, Zimbabwe, Syria, South Sudan, Liberia, Myanmar, Kenya, India and Zambia – and this is certainly a cause for celebration. Through these expansions, Mary's Meals has continued to grow its programmes in areas where the need is greatest, despite often facing practical and economic challenges in these locations.

Total group income in 2019 was £24.7m (2018: £26.1m). We have recorded notable achievements in many affiliate countries in terms of fundraising income and I am very pleased to report strong signs of diversification as we grow in different geographical locations and continue to reach more people with the simple message of how they can bring hope to hungry children through Mary's Meals. Indeed 2019 was the first year where over 50% of our income has been generated outwith the UK, with notable year on year increases in income including MM Austria £0.5m, MM Czech Republic £0.4m, MM Germany £0.4m, MM Ireland £0.2m, MM Italy £0.3m and MM USA £1m. We are delighted to see this international growth in both awareness and fundraising which offers a promising foundation for the future.

Expenditure has increased by £5.6m, not only because of the programmatic achievements during 2019, but also the full-year impact of previous expansions and the promise we are keeping to more than 1.6 million children of a meal every day in a place of education. Ongoing projects to improve the delivery of our school feeding programmes and ensure all staff are well equipped to support the mission in their various roles are yielding great results in terms of efficiency and cohesion, making sure that the way we do this work remains as important as the end result.

We undertook substantial work to strengthen the whole organisation, including an ongoing project to implement a new constituent relationship management (CRM) system in partnership with affiliates; a successful annual International Conference, which brought together delegates from 25 countries including representatives from programme affiliates, national affiliates and programme partners under the banner 'Unique in our Gifts, One in our Mission'; as well as several training modules, including a programmes academy attended by more than 100 school feeding officers, a leadership academy for 25 senior staff, and management training for all those in managerial roles across the global movement.

One of our principal values is the good stewardship of the resources entrusted to us and Mary's Meals has an ongoing commitment to spend at least 93% of donations on charitable activities and to keep running costs low. I am pleased to say that in 2019, MMI continued that commitment, with 99% of expenditure from donations going directly to charitable activities.

The global average cost to provide a child with Mary's Meals for a whole school year in 2019 was £12.97, compared to a budgeted figure of £13.90. Once again, we have delivered meals below the budget set at the beginning of the year. This clearly demonstrates Mary's Meals' continued efficiency in this area.

All over the world, supporters continue to hear about our work and be amazed at the life-changing difference a meal in a place of education makes for the world's poorest children and at how small the cost is to support hungry children in this way. I offer my heartfelt thanks to all those who serve this mission in whichever way they feel called to – the supporters, volunteers, staff, my fellow trustees and the communities who own, run and champion our school feeding programmes, giving their time and skills to ensure their children can eat nutritious food each day in a place of education, fuelling their ability to learn and nurture dreams for a more prosperous future.

A handwritten signature in black ink that reads "David Clayton". The signature is written in a cursive, flowing style.

David Clayton
Chair



Chief Executive's Report

It is with a grateful heart that I reflect on the achievements of Mary's Meals in 2019, made possible by an amazing global family. This family has grown around our vision 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.

Giving children a nutritious meal while they learn is such a fundamental thing and certainly one that I took for granted in my own childhood, yet millions of children are still missing out on school because of poverty or attending classes too hungry to learn.

Each time we meet with a new community to discuss working together to serve these life-changing meals, we are met with such joy, along with commitment from willing volunteers pledging to give their time to cook and serve the food for the children. Many of these volunteers are parents or grandparents of the pupils, though we often see similar enthusiasm from people who don't have children at the school but understand the value of education and want to see the next generation flourish. It is a truly amazing thing to witness and it's a huge part of what makes our model work – working together and each giving what we can to ensure that hungry children can rely on the promise of a meal in a place of education.

At the end of 2019, 1,667,067 children were able to rely on that promise and this would not be possible without the dedication of those wonderful volunteers who show up to cook, or indeed without the support of people all over the world who are willing to give what they can – money, resources, time and heartfelt prayers – to reach out in love to the communities we serve.

In March 2019, some of those communities in Malawi were hit by one of the worst tropical cyclones to ever affect the southern hemisphere – Cyclone Idai. Widespread flooding caused displacement and devastation in areas where people were already struggling – many of them smallholder farmers who lost crops and livestock and, in many cases, their homes.

Immediately after the floods, our team in Malawi worked with communities to assess the damage to schools and find a way





forward. Thanks to the dedication of staff and volunteers, in addition to keeping our promise to all the children being supported by our existing school feeding programme – which reaches well over a million children every school day – we provided meals twice a day for a period of 68 days to whole families in southern Malawi who were forced to take shelter in schools after losing their homes in the floods.

To serve more than 1.6 million meals every school day is no small task and it amazes me whenever I think of just how many people are giving their time, skills and heart to this mission. During 2019, we welcomed hundreds of new communities to our school feeding programme and close to 250,000 children began receiving Mary's Meals for the first time.

I met some of the children enjoying our meals for the first time when I visited South Sudan early in 2019. In a country where there is so much pain and suffering and where every statistic seems more depressing than the last, it is a truly wonderful sight to see children singing as they queue for their meals – meals that are bringing hope in a place that is desperately in need of a future that is better than its past.

The same promise of a meal in a place of education is bringing hope to many more children, including those pained by war in Syria where we expanded our programme with long-standing partner, Dorcas. Elsewhere, in Haiti and Madagascar, we started relationships with two new partners – Bureau de Nutrition et Développement and Feedback Madagascar – who have almost six decades of collective experience working with some of the poorest communities in these countries.

Our global family has grown in other ways, too. While our 15 National Affiliates continued to plant the Mary's Meals vision in the hearts of new people – often in very interesting and inspiring ways – support groups continue to be born in other parts of the world and we hope to welcome Poland and Slovakia as National Affiliates in 2020.

In the last quarter of the year, our annual Big Family Christmas campaign invited supporters to set a place at our virtual Christmas

dinner table and a record-breaking number responded. Thanks to their generosity, more than 10,000 hungry children will receive the gift of life-changing meals in a place of education for a whole year.

As we moved into 2020, the global spread of Covid-19 had a profound impact on our work. However, I have been hugely encouraged by our ability to adapt – we have reinvented our delivery models, agreed them with governments and found a way to keep feeding nearly all the children who had been receiving Mary's Meals. Our supporters have also responded positively to the crisis and continue to give generously what they can – our global income has held up well in the early months of 2020.

All of this is because news of our vision is spreading and taking root in the hearts and minds of those who believe that in this world of plenty every child should receive a daily meal in their place of education.

And the power of those meals was shown yet again when we saw Veronica, one of the first children to benefit from the Mary's Meals programme when it began in 2002, graduate with a bachelor's degree in Education and Business Studies and tell us: "Eating Mary's Meals at school helped me get to where I am today, and it can continue helping many other children as well."

This is why we do what we do, all of us, working together to help children and communities achieve a better and brighter future. On behalf of the 1,667,067 children who currently receive Mary's Meals every day in a place of education, I thank all those who serve this mission for everything they do to help to keep this simple and beautiful promise and I pray that, together, we can continue to reach out in love and hope to the next child waiting.

A handwritten signature in black ink, appearing to read 'MFB', is written over a white background.

Magnus MacFarlane-Barrow
Chief Executive



Trustees' annual report (including the strategic report and directors' report)

The trustees, who are also directors of the charitable company, present their annual report together with the audited consolidated financial statements of the charity and group for the year ended 31 December 2019. The trustees of Mary's Meals International Organisation (MMI) who served during the period and up to the date of this report are set out on page 3.

This report reflects the work and results of MMI, which acts as the international organisation of the Mary's Meals network and for which it provides a focus of unity, stability and continuity. Our school feeding programmes are delivered directly through programme affiliates in Malawi, Liberia, Zambia and Kenya and through partner organisations in other countries. These financial statements incorporate the full costs to carry out, monitor and support the delivery of these school feeding programmes. Income is generated by National Affiliates who raise awareness of the work of Mary's Meals and are entirely independent legal entities. As such, the results of these entities are not incorporated into this report. More detail on the group structure is set out on page 26.

All organisations across the Mary's Meals network share the following vision and mission:

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:

Mary's Meals is a global movement supported by people from many walks of life and different backgrounds.

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.

We welcome all into the Mary's Meals family and we believe everyone has something important to contribute to the realisation of our vision.

Our charitable objects:

MMI has a specific role in the Mary's Meals movement to deliver on the vision and mission through the following charitable objects:

- a. To provide a daily meal, in a place of education, for children in the world's poorest communities;
- b. 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 and to work for the prevention thereof;
- c. To raise awareness worldwide of poverty issues through education and;
- d. To assist and support the work of other organisations, financially or otherwise, in particular members of the Mary's Meals network throughout the world, the objects of which would be considered to be charitable purposes and similar in nature to these objects.

Our strategic aims:

We work towards the above charitable objects by focusing our efforts on three core strategic aims:

1. To feed more children in a place of education and help those suffering the effects of extreme poverty in the world's poorest communities.
2. To grow the global movement and enable more people to offer their money, goods, time, or prayer to advance the work of Mary's Meals.
3. To strengthen the organisation and Mary's Meals global network in the furtherance of the vision, mission and values.

We firmly believe that the children receiving Mary's Meals today can one day grow up, well-nourished and well-educated, to become the men and women who will lift their communities out of poverty.

Strategic report



Mary's Meals Strategic Plan 2018-2020

Throughout 2019, we continued to focus on the delivery of our 2018-2020 Strategic Plan, and to work towards our strategic aims.

The plan sets out our strategic objectives and high-level milestones that will ensure we can continue to grow as we have in recent years and respond to new opportunities as they arise.

In line with our strategy and due to the ongoing commitment and dedication of thousands of supporters across the global family in 2019, we were able to:

- Expand our programmes in 11 countries, reaching an additional 242,054 children with a nutritious school meal every day in their place of education;
- Begin working with two new partner organisations – Bureau de Nutrition et Développement (BND) in Haiti and Feedback Madagascar;
- Grow the grassroots global movement in 15 National Affiliates;
- Offer a range of training and development programmes, including a Programmes Academy, the second global Leadership Academy and management training; and
- Continue enhancing our organisational systems and processes, including introducing a data collection toolkit in Liberia, Malawi, Zambia and Kenya.

The sections that follow illustrate the progress we have made against each of our overarching strategic aims and highlight the impact that we believe these achievements have delivered for the children we serve and for the global movement we seek to inspire.

Our strategic aims



Feeding more children



Growing the global movement



Strengthening the organisation



Feeding more children



2019 has been another fantastic year of progress for Mary's Meals. We are determined to keep our promise of a nutritious daily meal in a place of education to those children already enrolled in our school feeding programme and – as funds allow – reach out to the next hungry child waiting for Mary's Meals. Thanks to the continuing generosity of our many supporters around the world, we are now feeding 1,667,067 children every day at school in 18 countries, across Africa, Asia, Latin America, Eastern Europe and the Caribbean.

With the promise of a daily meal, thousands more children have accessed education and, over the course of the year, we also undertook numerous expansions which enabled us to reach out to more vulnerable children who were waiting for Mary's Meals.

Throughout 2019, we welcomed 242,054 children at 792 places of education into our global programmes, a growth of 17% compared to the start of the year. This is a staggering achievement in such a short timeframe, and one which would not be possible without the continued generosity of people around the world who share our vision that every child receives one daily meal in their place of education.



Malawi

Malawi is home to our oldest and largest feeding programme. We started by feeding 200 children in Malawi in 2002 and have grown substantially in the 18 years since – we are currently reaching 1,019,335 children in 982 primary schools and Early Childhood Development (ECD) centres every day across the country.

Malawi suffers from the negative effects of climate change with erratic rainfall and extended dry periods becoming more common. In March 2019, heavy rains and Cyclone Idai caused widespread flooding resulting in devastation across Malawi, including crop damage, livestock deaths, infrastructural damage, displacement and some loss of human life. The floods hit areas with very limited resilience to extreme weather. Most of the affected people are the families of smallholder farmers, who already struggle to make ends meet.

In the immediate aftermath of the floods, Mary's Meals worked with communities to assess the damage to schools and work out the best way to help. In addition to keeping our promise to children being supported by our existing school feeding programme, we provided meals twice a day to families in southern Malawi who were forced to take shelter in schools after losing their homes in the floods.

Our staff and volunteers worked tirelessly to deliver this emergency feeding for a period of 68 days following the initial flooding in March. In total, we were able to provide more than 35,000 kilograms of food to families at 23 schools in southern Malawi. The meals we provided helped support hungry children and their families while they recovered from the disaster and encouraged children to continue attending school even in such difficult times.

Our long-term commitment to schools and communities helps increase their food security and provides a safety net for impoverished families living in the context of climate-related



shocks – they can send their children to school safe in the knowledge that they will receive something to eat, which reduces the burden they face and helps to build resilience.

In 2019 we were also proud to celebrate the graduation of Veronica – one of the first children to receive Mary's Meals in 2002 – who successfully completed her bachelor's degree in Education and Business Studies.

Veronica had a difficult childhood, but Mary's Meals gave her the chance to fulfil her dreams and helped her get to where she is today.

She said: "My parents died when I was young. Growing up without my mum and dad was very hard. I would go to sleep without supper and in the morning go to school on an empty stomach."

Veronica's life changed when she began to receive food at school. She said: "Eating Mary's Meals at school helped me concentrate and listen to my teachers. I worked very hard and was so happy to be one of the few people chosen to go to public university in Malawi."

On the day of her graduation, Veronica told us what it means to have come this far. She said: "Graduating is very important to me because it means that I have successfully finished; I have completed my college. It is very important because it will help me achieve my goals and gain independence, full independence." And Veronica is not stopping there – her next goal is to complete a master's degree.

Thanks to the continuing generosity of our many supporters around the world, young children in Malawi are being helped to achieve their full potential and follow their dreams.

Zambia and Zimbabwe

In Zambia, we welcomed an additional 72,119 children during 2019. This means that Mary's Meals is now serving 191,434 children at 366 places of education across six districts within Zambia's Eastern Province: Chipata, Mambwe, Kasenengwa, Chipangali, Lumezi and Lundazi.

In Zambia, as in all the countries we work in, local communities own and run the feeding programme. Rabson has been volunteering his time as the chairperson of the School Health and Nutrition Committee at the school his children attend in Zambia since Mary's Meals was first introduced there. He told us: "I love the Mary's Meals school feeding programme because it has brought about a lot of good things. Before the feeding programme started, pupils were not motivated to come to school. Even my own children were reluctant when it came to school, but now they rush to go to school because of the feeding programme!"

Seeing the benefit that Mary's Meals is having on his own and other children in the community inspires Rabson to play his part in ensuring children receive a meal each school day. He explained: "What motivates me is that this programme helps our children. We're happy that our children now perform well in class and at sports. There are no cases of malnutrition or stunted growth and pupils concentrate in class because they are always full."

Knowing that their children will receive food when they are at school reduces the burden on parents or guardians struggling to provide for their families. Rabson said: "As parents we don't stress much because we know that our children will always have a cup of porridge at school."

In neighbouring Zimbabwe, we expanded our programme twice in 2019 which enabled us to reach out to an additional 14,828 children. We are now delivering the school feeding programme to 34,616 children across 88 schools in the rural Tsholotsho and Umzingwane districts, which suffer from high levels of food insecurity. Mrs Faith Mazani is a teacher at Matupula Primary School and told us that the programme has really helped the students at her school. She tells us that the students do a "little funny dance" whenever deliveries are being made. The students are now able to stay at school all day doing school activities, including sport, because they are not hungry, all thanks to Mary's Meals.

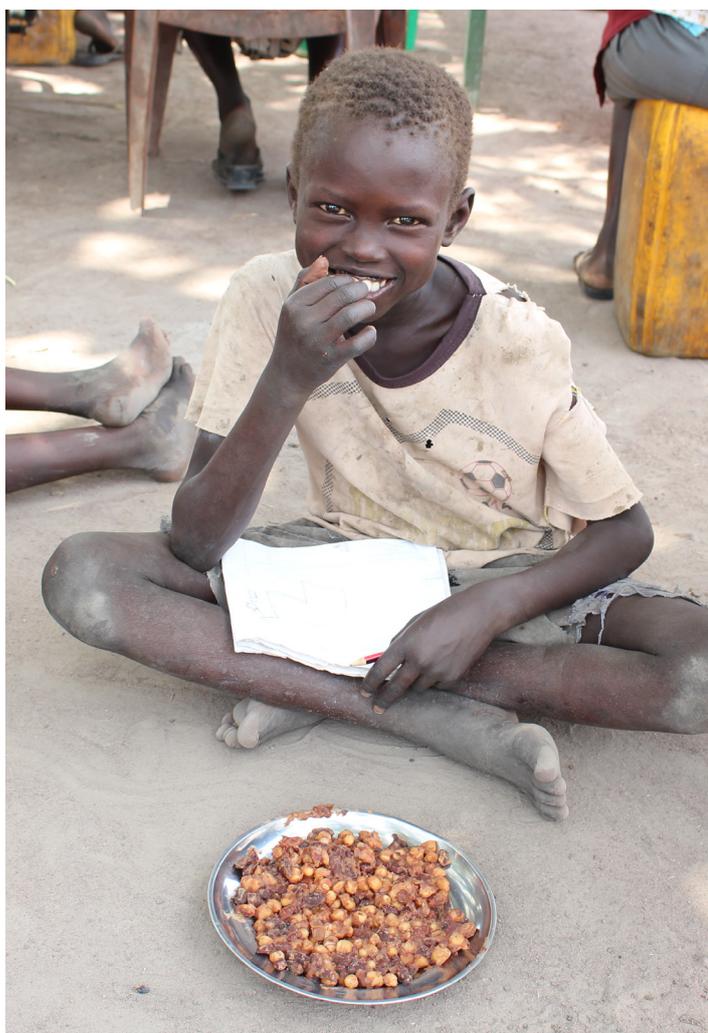


Liberia

We are delighted to announce that we are now feeding a total of 158,015 children in 623 schools across Liberia. In 2019 we carried out the largest single expansion of our programmes in three counties in Liberia – 137 schools across the Bong, Montserrado and Bomi counties began serving Mary's Meals, reaching 37,561 children in desperate need of nutritious meals every school day.

Liberia is ranked as one of the 10 toughest countries in the world for a girl to get an education. Traditionally in Liberia, it is believed that the role of a woman is restricted to raising children and domestic tasks like cooking and cleaning. Although attitudes are changing and more girls are accessing education, traditional beliefs about girls' education are still common and so boys' education is often prioritised.

All our programmes provide one free daily meal to every child in each place of education, contributing to a child's daily nutritional needs, alleviating immediate hunger and improving children's access to education. This approach encourages the inclusion of the poorest, most vulnerable and marginalised children and helps foster a spirit of partnership between the community and the school by promoting the importance of education. Our staff and partners work closely with communities and schools to understand barriers to education, and always encourage the inclusion of girls as well as disabled children and children from other marginalised groups. Across our global programme there is a 50/50 split of girls and boys receiving Mary's Meals and in Liberia specifically, 49% of the children we reached during 2019 were girls – a remarkable achievement demonstrating the success of our inclusive approach.



Kenya and Ethiopia

In Ethiopia, where an estimated 2.3 million primary school aged children remain out of school, we tripled the number of children we reach every day during 2019, and we are now supporting 24,320 vulnerable children at schools in the Tigray region.

Our partner, Daughters of Charity Tigray, tells us of the amazing impact the programme is having: “Already the results achieved by the Mary’s Meals school feeding programme are commendable, effectively preventing hunger among school children – many of whom have had their growth and development stunted by hunger and malnutrition previously. There is a marked reduction in school drop-out rates, there is increased enrolment, improved attendance and better results from the teaching and learning processes, with much happier children and teachers”.

In Kenya, we continued to keep our promise to children attending 25 primary schools in the Kisii and Uasin Gishu counties in western Kenya, providing them with a nutritious meal of maize served with beans and oil fortified with vitamin A and iodized salt. We also expanded our feeding programme for pre-school children attending ECD centres in the semi-arid Turkana County. Over the course of the year, Mary’s Meals Kenya carried out five expansions in Turkana, enabling tens of thousands more young children to receive our life-saving daily meals. In total, we are now providing a daily meal to 66,941 children in 379 places of education across the country.

Helen is one of the volunteers who prepares daily school meals at an ECD centre her son and his friends attend in Turkana. She gives her time and energy as a volunteer because she knows how important Mary’s Meals is for the community. For many of the children, it is the only food they can be sure of. She said: “Without it, they would have nothing to eat. The food helps the children come to school to learn. I cook so that they will not feel hungry.”

Our nutritious meals, packed with the vitamins and minerals children need to grow up healthy and strong in both body and mind, are making a life-changing difference to children in Turkana and helping give them a better start in life.

South Sudan

Mary’s Meals is one of very few organisations consistently providing food to children in schools in South Sudan. The ongoing conflict is disrupting livelihoods and affecting food production, which has caused a humanitarian catastrophe. The need for our school feeding programme in such a desperate situation is immense. We have been working in the Lakes State area since 2008 with our partner the Diocese of Rumbek. Our programme carries on despite considerable operational difficulties and we are overcoming extreme challenges to get food through to the schools.

During 2019, we were able to reach out to an additional 15,600 children in South Sudan, thereby increasing the size of our programme by more than 60%. This was also the year that our founder and chief executive, Magnus MacFarlane-Barrow, had his first visit to schools receiving Mary’s Meals there. During his trip, he witnessed the wonderful sights of children receiving nutritious food and singing songs they had written for Mary’s Meals. Reflecting on his visit, Magnus said: “In every school, the impact is so obvious; so clear that this is transforming things here. You hear it everywhere you go, how people see this as this incredible sign of hope. And that’s what I take home more than anything – just the hope that this work of Mary’s Meals is bringing to South Sudan is just so, so important for this country.”





India, Myanmar and Syria

We were also happy to expand our school feeding programme in India – with our longstanding partner BREAD – and as a result of this, we were able to reach out to an additional 18,958 children across 48 education centres in the Jarkhand and Bihar states. We are now providing daily nutritious meals to a total of 42,670 children in India at 101 places of education – an incredible achievement.

During 2019 we were able to reach a further 827 children in the Kachin and Kayah states of Myanmar. We work in boarding houses with our partner, the Episcopal Commission for Education, to encourage vulnerable children – either orphaned or from poor rural areas – to attend school by providing them with packed lunches five days a week. We are now reaching a total of 1,555 children across 18 education centres in Myanmar.

Our programme in Syria also grew in 2019 – we started feeding at five new places of education, providing nutritious food for 1,318 children in desperate need of Mary's Meals. Working with our partner, Dorcas, we are now reaching 4,403 children in 13 schools across the city of Aleppo. Owing to frequent bombing and the escalation of conflict in north western Syria, Aleppo is currently witnessing a dire humanitarian situation. Inflation has eroded civilians' purchasing power, making essential goods, such as food, unobtainable. This has led to widespread poverty amongst Syrians still residing in Aleppo, making it very difficult for children to attend school and gain an education. To overcome the challenges of working in a city that has been heavily damaged by conflict, volunteers prepare all the meals in one school that has reliable access to water and electricity. The food is then delivered to other schools across the city. This model is working well and helps us keep our promise to the children we serve.

Haiti and Madagascar

We began working with two new partner organisations in 2019 – one in Haiti and one in Madagascar – who have begun implementing our school feeding programmes with our support. Around the world, our partner organisations bring their dedication, expertise and reputation to our mission, allowing us to reach children in areas or contexts that would otherwise be difficult or impossible to reach.

Our new partner in Haiti – BND – has been operating in the country for more than 30 years. Thanks to this new partnership, we were able to begin delivering our school feeding programme in 77 schools across the Ouest Department, the Port-au-Prince area and the Centre Department. We work with a total of four partner organisations in Haiti to ensure that we are reaching some of the country's most marginalised children. Together, we are serving 52,314 children, helping reduce hunger and improving access to education.

We were also delighted to begin feeding in schools in Madagascar during 2019 thanks to our new partnership with an organisation that has been supporting some of the poorest communities in the country for nearly 30 years – Feedback Madagascar. In November, we introduced our feeding programme to 68 schools across three rural areas – Amoron'i Mania and Haute Matsiatra in central Madagascar and Vatovavy-Fitovinany in southeast Madagascar – reaching 10,790 children.

Every plate of rice and peas, mug of porridge and bowl of maize and beans we have been able to serve throughout 2019 is helping a hungry child to make the most of their education, giving them hope for a brighter future.





Impact of our feeding programmes

We have now completed the fifth and final year of our impact assessment research project in Malawi and Zambia and our third and final year in Liberia. The studies assess the impact of Mary's Meals' programmes through surveys and focus groups with children, teachers, volunteers and families. The results of our impact assessments have allowed us to learn about our programmes and demonstrate the importance of our work in giving children hope for a better future.

This research demonstrates that Mary's Meals is making a significant impact and measurable change. For example, after one year of receiving Mary's Meals for the first time:

- Children who reported feeling hungry in school reduced from 42% to 12%.
- School enrolment increased by an average of 20%.
- 90% of teachers said that children were attending school more.
- 91% of teachers said that children's marks in class had improved.
- The number of children saying they felt happy in school increased from 79% to 90%.
- Children with energy at the end of the school day increased from 28% to 87%.
- 50% of the children receiving Mary's Meals are girls.
- Teachers say parents are strongly involved in school activities in Mary's Meals schools – 70% for schools with Mary's Meals vs 32% for schools without.

Our research demonstrates that, as well as bringing children into the classroom and improving enrolment and attendance, school feeding has the power to reduce classroom hunger and improve concentration and participation in class, as well as affecting children's overall happiness by reducing hunger-related anxiety. The evidence suggests that school feeding offers a cost-effective route out of poverty for the long term. We now have a fantastic set of infographics that demonstrate the results of our impact assessments. The set of 20 infographics were made available during 2019 and have helped to communicate the impact of our programmes and the achievements of Mary's Meals to a wide range of audiences.

We hope that this will help spread the word of our valuable work and the wonderful impact it is having, helping to generate further support for our mission.

After one year of school feeding our research shows...

There is a
20%
increase in
enrolment.



50%

of the children
receiving
Mary's Meals
are girls.



 **91%**

of teachers say that
children's marks have
improved.





Growing the global movement



The Mary's Meals global movement continued to grow during 2019, with National Affiliates reaching new audiences in innovative and exciting ways.

In June, Mary's Meals International hosted a conference in Glasgow with the theme 'Unique in our Gifts, One in our Mission'. The conference brought together delegates from 25 countries including representatives of Mary's Meals' Programme Affiliates, National Affiliates and Programme Partners.

We were delighted to have support for the conference from staff, board members and key volunteers from across the global movement. The programme included a social gathering for delegates, MMI staff and MM UK staff at the Glasgow office. This allowed people from across the network to meet and mingle. Feedback from the two-day event was very positive, with delegates reporting multiple benefits from their attendance.

We were also delighted to be able to continue to grow the global movement by introducing Mary's Meals to new audiences in 2019, including having a presence at Mladifest in Medjugorje and the Global Child Nutrition Forum in Cambodia and building new relationships with a range of foundations and major donors.

Raising awareness of our work

Throughout 2019, we have continued to create a diverse range of communication tools in order to engage with our global audience and support the continued growth of the global movement. Earlier this year, Mary's Meals was invited to present its work at a tech summit in San Francisco alongside speakers from companies such as Google and IBM. The event was run by PagerDuty, a Silicon Valley-based company that provides an online service for incident response, event intelligence and IT analytics – software that we introduced in our Liberia programme during 2019. PagerDuty was intrigued to learn more about how Mary's Meals uses its software

and inform people about how technology can be used for social impact. This was a unique opportunity to speak to tech companies about the work we do and the challenges we overcome to deliver our high-quality, effective school feeding programmes.

We produced more videos of our work around the world, helping inform and engage supporters. Highlights include video diaries recorded by Magnus during his visits to our South Sudan and Madagascar programmes, 'We Support Mary's Meals' which features supporters from all over the global family, and a video highlighting Mary's Meals' key achievements throughout 2019.

A Belgian version of *The Shed That Fed A Million Children* – the bestselling book by our founder Magnus MacFarlane-Barrow that tells the story of Mary's Meals – was published in Flemish and work began on translating the book into Polish and Slovak.

Around the globe, Mary's Meals Spain was given the Award for Social Innovation by Fundación MAPFRE, in recognition of the social commitment of Mary's Meals, presented by the Queen of Spain, Doña Sofía. Mary's Meals Australia sent their first backpacks to Malawi, Mary's Meals Canada hosted their first basketball event – the Calgary Police Department versus the Fire Department, Mary's Meals Germany led the fifth 'Fill Mugs' campaign and Mary's Meals Switzerland's 'Risky Dinners' are proving ever more popular. Mary's Meals USA ran a 'We Are Mary's Meals' campaign during quarter four – a very successful fundraising campaign where donations were matched by a major donor. Mary's Meals UK ran the 'Double the Love' campaign, where funds were matched by the UK government.

As we move forward into 2020, we remain focused on raising awareness of our global movement and inviting new supporters to join our mission, all so that, together, we can reach out to the next child in need of Mary's Meals.



Strengthening the organisation



Developing our people

Mary's Meals is committed to attracting great people who are passionate about the life-changing work that we do. As such, we place great emphasis on ensuring that our staff have the skills needed to develop in their roles, as well as ensuring they are aligned with our values and are supported effectively. Our 2019 Leadership Academy comprised 25 staff from across the organisation. The programme was split into three modules spread across the year, taking place in Glasgow.

Throughout 2019, Mary's Meals offered a range of training and development programmes to staff around the world. During 2019, more than 100 school feeding officers in Malawi, Zambia and Kenya took part in our Programmes Academy and we delivered manager training to all staff in managerial roles across the global movement. The training has received excellent feedback, has significantly helped to increase the consistency of management approaches across the global movement and has enhanced the skills and knowledge of those that took part. The school feeding officers training also received great feedback and has ensured confidence and consistency for those in these roles.

MMI continues to take an equal opportunity approach in all that we do.

Developing our systems

Our programme operations team continued to make improvements to the way we collect data at schools receiving Mary's Meals through the School Feeding Delivery Model Project. We introduced a data collection toolkit in Liberia, Malawi, Zambia and Kenya, which includes information sheets and checklists to use during monitoring visits to, for example, track food stock levels.

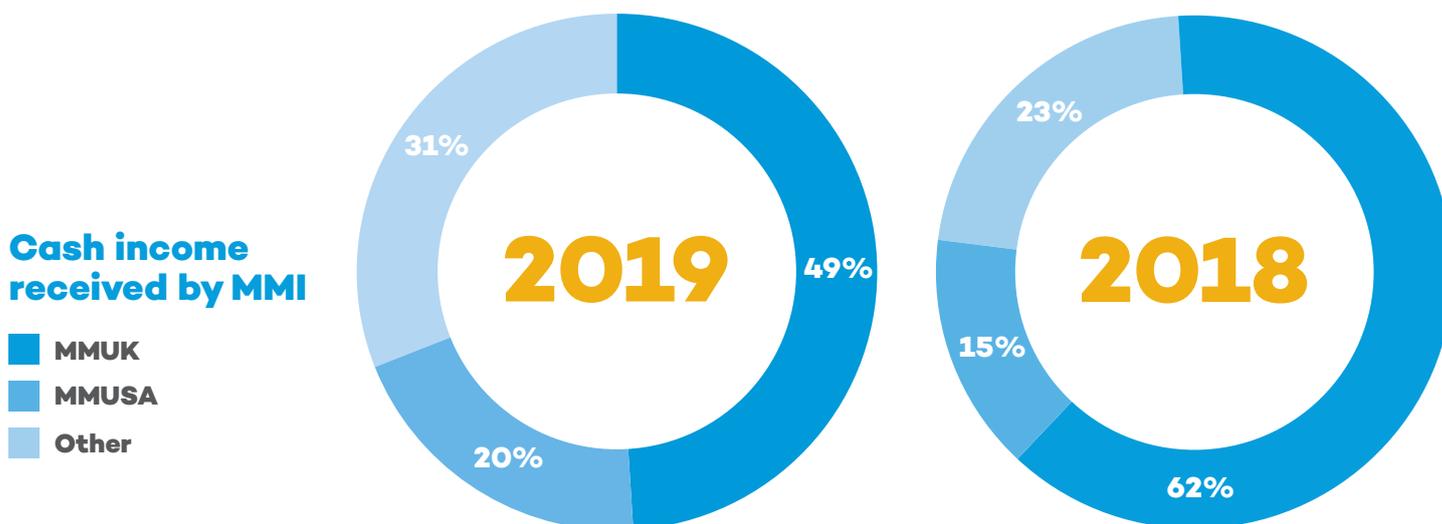
We also began developing The Mary's Meals School Feeding Model handbook. As our programmes expand and we are able to reach more and more children around the world with our school meals, this project is an opportunity to reflect on the principles shared across all of our school feeding programmes. Considerable time has been spent on devising an accessible handbook that can be shared across the movement.

Risk, assurance and IT

During 2019, we rolled out operational risk registers across Mary's Meals International. The registers allow us to have greater visibility of the management of operational risk in different departments and help inform our view of our strategic risk profile (see pages 24 and 25 for details of our key strategic risks). Following on from the progress we made in 2018, we also continued to support process improvements across our programmes through our internal audit and we continued to review and update policies across the network.

MMI's IT team made good progress towards becoming more self-sufficient by starting an in-house development team for the global integrated constituent relationship management (CRM) project and website development. We launched an internal IT helpdesk for MMI, Mary's Meals Programme Affiliates and National Affiliates. Various programme country infrastructure enhancements were carried out throughout 2019 and we also completed the groundwork required for gaining Cyber Essentials accreditation, a government-backed scheme promoting best practice in terms of cyber security. Further progress was made with the CRM system, rolling out the system to our largest National Affiliate in the UK. The CRM system has given the organisation new insights into supporter and fundraising information. We are working to roll out the system further during 2020.





Financial review

For the year to 31 December 2019, the MMI organisation has recorded an overall deficit of £1.351m (2018: surplus £6.296m). Total group income was £24.671m (2018: £26.059m), of which £23.227m was cash (2018: £23.900m). Virtually all of this income was generated by the many Mary's Meals National Affiliates across the world, with 49% (2018: 62%) of total cash income coming from the National Affiliate in the UK, 20% (2018: 15%) from the National Affiliate in the US and the remaining funds being generated by many other National Affiliates, international fundraising groups and individuals all around the world.

Whilst there has been an overall drop in our income compared to the prior year, continued successful fundraising efforts made by a number of our National Affiliates have yielded the following notable year-on-year upward trends: MM Austria £0.497m, MM Czech Republic £0.375m, MM Germany £0.436m, MM Ireland £0.227m, MM Italy £0.341m and MM USA £0.985m. The significant contributions of all affiliates, as detailed in note 6 to the accounts, provide MMI with an ever-widening and strengthening fundraising base from which we will continue to strive to reach as many children as possible.

Total expenditure for MMI for the year was £25.533m (2018: £19.915m). This represents a significant increase and is reflective of the progress we have been able to make in the year in line with our Strategic Plan. Indeed, the overall deficit recorded in 2019 was a planned move as we looked to reach more children and also as part of our strategy to utilise free funds. We spent £25.194m (2018: £19.622m), or 99% (2018: 99%), on charitable

activities (which are explained in full on page 9). Note 9 shows that the year-on-year increase is predominantly through our direct and partner feeding expenditure, with a proportionally lower increase in support cost spend. We continue to significantly exceed our long-term commitment to spend at least 93p of every £1 on our charitable activities. Direct fundraising is carried out on our behalf by independent National Affiliates, whose financial results are not included in these financial statements.

As outlined in note 8 to the financial statements, it cost £21.339m (2018: £16.313m) to deliver our core school feeding programme in all the countries where we work. The number of children fed during the period rose from 1,425,013 to 1,667,067, an increase of nearly 250,000. We use these core KPIs, the number of children fed and charitable spend, along with cost per child, to accurately assess and demonstrate the significant progress that has been achieved in the reporting period as we look to feed more children as efficiently as possible. The cost per child incorporates the total cost of delivering the school feeding programmes each year, inclusive of support costs. The actual cost of feeding a child for our financial year 2019 was £12.97 (2018: £11.69) against a budget of £13.90 (2018: £13.90), evidencing our strong commitment to keeping costs under control and achieving value for money. Prior year KPI results are shown in the table below. The individual results of our consolidated subsidiaries are detailed in note 23.

KPI	2015	2016	2017	2018	2019
Number of children fed	1,101,206	1,219,307	1,230,171	1,425,013	1,667,067
Cost per child (£)	11.47	13.03	12.74	11.69	12.97
Charitable spend (%)	98	98	99	99	99



The reserves policy is reviewed annually. As at 31 December 2019, the policy was to retain sufficient funds required to meet three months of UK running costs and 1.5 months of committed programme expenditure, along with an amount to cover the net book value of forecasted Group tangible and intangible fixed assets. Additionally, a designated fund is held to cover Life Assurance for non-UK employees. On this basis, the charity would expect to hold £6.593m (2018: £7.613m) in unrestricted reserves, as a minimum. At 31 December 2019, the group unrestricted reserves were £16.561m (2018: £17.628m). Restricted funds of £0.142m (2018: £0.426m) were held at year end. The significant unrestricted free funds held over year end will be utilised to cover expansion costs in future years, in line with our detailed 5 year financial plan.

Robust tendering processes have ensured food prices for most of our programmes were fixed during 2019 to protect the programmes from fluctuations in food costs. We have continued to work hard to achieve value for money in the major procurements we have undertaken in 2019. Owing to the nature of our main charitable activities, food prices do remain a risk to our overall future financial position and are therefore monitored carefully.

In accordance with the articles of association, the charity has the power to invest as it sees fit. Surplus funds are held in a mixture of current and investment accounts in a mixture of currencies to minimise bank charges, to optimise interest earned and accessibility and to minimise risk.

While the bulk of our work is delivered directly through programme affiliates (such as in Malawi, Liberia, Zambia and Kenya), we also have significant partnerships with other organisations who implement our programmes in other countries. Although it is a smaller proportion of our total expenditure, by working with these partner organisations, we are able to extend the work of Mary's Meals to reach hungry children in some particularly challenging environments.

In Romania, we work with the Rhema Foundation to serve nutritious meals to young adults living in residential care. The Rhema Foundation provides all-round care for HIV-positive young people who were abandoned in hospital in Bucharest in the 1990s. Mary's Meals Liberia runs the Oscar Romero School for the Deaf in Tubmanburg, which is an elementary school with residential facilities. The costs associated with these projects do not form part of the core school feeding programme and thus are shown separately in notes 8 and 9 to the financial statements.

The vast majority of funds received by MMI come from our fundraising National Affiliates, spanning a number of countries

around the world, who successfully raise funds for Mary's Meals programmes. In addition to this, we receive a small proportion of our total income directly from donors who are located in countries where a fundraising National Affiliate does not yet exist.

Consistent with previous years, Mary's Meals has benefitted tremendously from the contribution of many volunteers who have given willingly of their time to help realise our vision. Across the global movement, volunteers are engaged every day in fundraising activities, promoting awareness of the Mary's Meals vision and in delivering our feeding programmes. While the financial impact cannot be quantified, the selfless contribution of so many volunteers has a huge impact on the success of Mary's Meals and will continue to be an essential part of our global movement in future.

As we moved into the first quarter of 2020, the global spread of Covid-19 had a profound impact on our school feeding activities. To combat the spread of the virus, governments enforced school closures in substantially all of the countries in which we operate, as a result of which it was not possible for us to provide a daily meal to children in their normal place of education.

In spite of this apparent setback, we moved quickly to assess how we could adjust our delivery models and worked closely with governments and delivery partners to identify the additional measures we needed to put in place to protect our staff and the communities in which we work. As a result, we secured the necessary approvals to begin distributing food and by mid to late May, we were feeding almost all of the children across our global programme again. The efforts in recent months are, we believe, a clear demonstration of our determination to keep our promise to those children who had been receiving Mary's Meals.

At the same time, our supporters responded positively to the crisis and continue to give generously of their money, goods, skills, time, or prayer. Our financial results in the early part of 2020 indicate that our income has been holding up and, coupled with solid reserves carried forward, put us in a strong position through this period of uncertainty to continue reaching those children who need Mary's Meals. A high-level financial modelling exercise was undertaken to demonstrate and give reassurance that the level of reserves is sufficient to sustain operations for the foreseeable future.

The financial statements have been prepared on a going concern basis. The trustees continue to believe this is reasonable, in view of the wide and stable fundraising base in place across the Mary's Meals network.

Risk review

Risk management is crucial to safeguarding the delivery of our vision through timely action to manage known threats. The trustees have overall responsibility for identifying and assessing the charity's strategic risks. These risks are stated as high-level risk themes to facilitate clear linkage to the broad strategic aims contained within our Strategic Plan.

The risk register is subject to periodic review by both trustees and the Senior Leadership Team (SLT) to confirm the themes identified continue to be relevant. We then design and implement suitable mitigating strategies to manage each theme, either through preventing the risk or minimising its impact on the charity should it occur. The trustees delegate responsibility for delivering the mitigating strategies to senior management.

During 2019, we rolled out detailed operational risk registers across MMI to strengthen day-to-day risk management and better inform our assessment of our strategic risk profile. The operational registers mirror our strategic register and each operational risk is linked to an overarching strategic risk theme.

We regularly monitor risk performance through our risk governance structure. MMI has established a monthly forum that is responsible for providing detailed scrutiny over the strategic risk themes and is attended by members of the SLT. Management representatives also provide summarised reports to trustees through the Finance, Risk and Audit Committee and the board to allow for scrutiny and challenge over risk management.



No.	Strategic risk themes	Key mitigation strategies
1	Grow sources of income and manage our finances effectively to ensure the long-term sustainability of Mary's Meals to allow us to keep our promise, in line with our vision, mission and values.	<ul style="list-style-type: none"> Dedicated relationship managers for each National Affiliate to support annual planning, fundraising and institutional grant management. Five-year financial plan in place, supported by annual budgets and ongoing financial monitoring.
2	Ensure we can identify and/or maximise opportunities for sustainable growth in line with our vision, mission and values.	<ul style="list-style-type: none"> Three-year programme strategy and expansion roadmap outlining planned activity. Staff resourcing needs and succession planning formally considered at least annually.
3	Ensure we can design and implement appropriate, efficient and effective programme delivery strategies that match our vision, mission and values and ensure we can keep our promise.	<ul style="list-style-type: none"> New tools implemented during 2019 across our programme affiliates to enhance effective and consistent programme delivery. School Feeding Delivery Model project ongoing to digitise programmatic data collection and analysis.
4	Ensure we build on / maintain confidence, satisfaction and trust in line with our vision, mission and values.	<ul style="list-style-type: none"> Key policies and procedures to inform staff behaviour, including the safeguarding policy and staff code of conduct. Detailed due diligence checks performed over affiliates, partners and overseas suppliers.
5	Continue to ensure Mary's Meals International is an organisation that can adapt to Regional / National / International Change and deliver our vision, mission and values.	<ul style="list-style-type: none"> Three-year strategic plan outlining planned growth activities, with regular monitoring by SLT and the board. Links built between in-country teams and local government to facilitate ongoing communication and collaboration.
6	Continue to ensure that cohesion among affiliates is maintained at all times.	<ul style="list-style-type: none"> National Affiliate Forum established to enhance information-sharing and engagement between MMI and affiliates. Major projects ongoing to look at cohesion, governance and ways of working, across the Mary's Meals movement.
7	Ensure we continue to identify and/or maximise opportunities that will raise awareness of our brand and vision, mission and values.	<ul style="list-style-type: none"> Development of global communications strategy to raise awareness and promote our brand. Agency partner engaged to devise a range of measures to reach new audiences through our 2020 campaigns.
8	Continue to identify and / or maximise opportunities for collaboration, engagement and to build partnerships in line with our vision, mission and values.	<ul style="list-style-type: none"> Partnership Agreement in place with all programme partners detailing our expectations. National Affiliate Framework outlines how we build relationships with organisations and help them become national affiliates.
9	Continue to develop, recruit and retain the right people (including executive, board, staff and volunteers) who will champion our vision, mission and values.	<ul style="list-style-type: none"> Delivery of People Strategy to improve processes for developing, recruiting and retaining staff. Learning and Development programmes available to develop staff capacity, including managerial development through the Leadership Academy.
10	Continue to ensure effective governance arrangements are in place to uphold our vision, mission and values.	<ul style="list-style-type: none"> Affiliates sign-up to the Covenant of Participation to promote adherence to the vision, mission and values and key policies like data protection. Project under way to enhance board governance arrangements across the global network.
11	Ensure the organisation can design and implement efficient support functions that help us deliver our vision, mission and values.	<ul style="list-style-type: none"> Matrix structure in place creating links between MMI support functions and the global network to facilitate engagement. Completed organisational restructure within MMI during 2019 to enhance cross-functional working and improve support offering to the global network.

The outbreak of Covid-19 has elevated the risk profile within Mary's Meals and could increase the potential for some of our existing strategic risk themes to occur. This has been reflected in an increase in the scoring of some of our risk themes and underlying operational risks, particularly those relating to long-term financial sustainability and programme delivery.

We are regularly reviewing these risks through our existing risk management and reporting arrangements to ensure we continue to respond effectively as the outbreak evolves. This has included capturing and monitoring delivery of new mitigating actions we are taking in response to the outbreak.

Structure, governance and management

MMI is a company limited by guarantee governed by its memorandum and articles of association dated 3 October 2014. It is registered as a charity with the Office of the Scottish Charity Regulator. There are 12 founder members and the trustees are obliged to appoint, subject to certain conditions being satisfied, representatives from National Affiliates, each of whom agrees to contribute £1 in the event of the charity winding up. There are currently 25 members of MMI.

Scottish International Relief Malawi is an independently constituted body whose main function is to implement Mary's Meals projects in Malawi, but it is free to fundraise from other sources. MMI is represented on the board of this organisation. Mary's Meals Zambia is a subsidiary entity whose main function is to implement Mary's Meals' projects in Zambia. MMI is also represented on the board of this organisation. For the purposes of this annual report, and on the basis of control, these entities have been consolidated as subsidiaries. Mary's Meals is also registered in Liberia and Kenya as an overseas organisation working in each country. Liberia and Kenya represent branches of MMI, and along with Bosnia make up the Charity results as presented in this report. The Group results include the consolidated subsidiaries, Malawi and Zambia. Mary's Meals fundraising National Affiliates are entirely independent entities and therefore not included in these financial statements.

The charity is governed by the board of trustees, as listed on page 3, which meets on a quarterly basis. The composition of the board is monitored on a regular basis to ensure that the trustees have the necessary skills and expertise required to govern the charity. A budget is set annually in advance and submitted to the trustees for approval.

Appointment of trustees and training

As set out in the articles of association, the minimum number of trustees is three. There is no maximum number, unless determined by ordinary resolution. New trustees are appointed by the charity by ordinary resolution and are thoroughly vetted prior to appointment. They are briefed on their legal responsibilities and supplied with copies of the governing documents. They commit to a code of conduct, including upholding the aims and values of the charity. A list of the trustees who served during the financial period is included on page 3 of this report.

During the financial period to 31 December 2019, the day-to-day running of the charity was managed by the chief executive officer, reporting to the board of trustees, and supported by the directors leading communications, programmes, people, affiliate development and finance and operations.

During the final quarter of 2019, Janet Haugh stepped down from her role as CEO of Mary's Meals International, after seven years of service. During the same period, the board of MMI finalised its review of the organisation's structure, with a view to ensuring it is designed appropriately for the next stage of the wonderful journey that Mary's Meals is on. Going

forward, Magnus MacFarlane-Barrow has combined his Global CEO role with that of leading MMI, which will enable him to work more closely with MMI as it continues to strive to serve the movement as best it can, keeping its promise to millions of children and reaching many more who are still waiting for Mary's Meals.

Approach to Remuneration

In 2015, a pay and grading structure was introduced for all staff and this was benchmarked against similar organisations. The benchmarking showed that Mary's Meals pays significantly less than the benchmark to those in senior roles. This reflects our long-standing commitment to pay restraint at senior levels in the organisation and also reflects a vocational approach on the part of our senior leaders and the wider staff group across Mary's Meals. Recognising the differential in pay compared to other organisations, Mary's Meals is committed to offering a great place to work and an attractive package of non-financial benefits. The pay of the senior staff, and all staff, is reviewed annually and normally increased in accordance with inflation. In addition to this, we depend on more than 80,000 volunteers to deliver Mary's Meals' school feeding programme. Without their hard work, perseverance and service, Mary's Meals would not be possible.

Trustees' insurance and indemnities

The trustees, who are also the directors, have the benefit of the indemnity provisions contained in the company's articles of association ("articles"), and the company has maintained throughout the year directors' and officers' liability insurance for the benefit of the company, the directors and its officers. The company has entered into qualifying third-party indemnity arrangements for the benefit of all its directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in place throughout the year and remain in force.

Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.





Statement of trustees' responsibilities

The trustees (who are also directors of Mary's Meals International Organisation for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that 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. They are also responsible

for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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.

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

On behalf of the board

A handwritten signature in black ink that reads "David Clayton".

David Clayton
Chair

10 June 2020

Independent auditor's report to the trustees and members of Mary's Meals International Organisation

Opinion

We have audited the financial statements of Mary's Meals International Organisation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the consolidated group and charity company statement of financial activities (including the statements of income and expenditure), the consolidated group and charity company balance sheets, the consolidated group and charity company 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 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 group's and the parent charitable company's affairs as at 31 December 2019 and of the group's and the parent charitable company's incoming resources and application of resources, including their 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 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The 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. 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.

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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report and 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 27 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 group's and parent 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 group or parent 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.

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 charitable company'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 charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, 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.

RSM UK Audit LLP

Janet Hamblin CA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
First Floor, Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

18 June 2020

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

Consolidated group statement of financial activities

(including consolidated income and expenditure account) for the year ended 31 December 2019

	Notes	Unrestricted funds £'000	Restricted funds £'000	2019 Total £'000	2018 Total £'000
Income from:					
Donations	6	16,514	8,010	24,524	25,962
Charitable activities		-	-	-	10
Other		147	-	147	87
Total income		16,661	8,010	24,671	26,059
Expenditure on:					
Raising funds	7	339	-	339	293
Charitable activities	8, 9	16,900	8,294	25,194	19,622
Total expenditure		17,239	8,294	25,533	19,915
Net (expenditure)/income for the year	11	(578)	(284)	(862)	6,144
Other recognised (losses)/gains:					
Currency (losses)/gains		(489)	-	(489)	152
Net movement in funds		(1,067)	(284)	(1,351)	6,296
Reconciliation of funds					
Total funds brought forward		17,628	426	18,054	11,758
Net movement in funds for the year		(1,067)	(284)	(1,351)	6,296
Total funds carried forward	21, 22	16,561	142	16,703	18,054

All amounts relate to continuing operations. There is no material difference between the surplus on ordinary activities and the surplus for the financial year stated above and their historical costs equivalents.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 34-53 form an integral part of these financial statements.

See note 5 for comparative charity statement of financial activities analysed by funds.

Charity statement of financial activities

(including income and expenditure account)
for the year ended 31 December 2019

	Notes	Unrestricted funds £'000	Restricted funds £'000	2019 Total £'000	2018 Total £'000
Income from:					
Donations	6	16,175	8,010	24,185	25,036
Charitable activities		-	-	-	1
Other		128	-	128	59
Total income		16,303	8,010	24,313	25,096
Expenditure on:					
Raising funds	7	339	-	339	293
Charitable activities	8, 9	16,680	8,294	24,974	19,803
Total expenditure		17,019	8,294	25,313	20,096
Net (expenditure)/income for the year	11	(716)	(284)	(1,000)	5,000
Other recognised (losses)/gains:					
Currency (losses)/gains		(659)	-	(659)	178
Net movement in funds		(1,375)	(284)	(1,659)	5,178
Reconciliation of funds					
Total funds brought forward		17,089	426	17,515	12,337
Net movement in funds for the year		(1,375)	(284)	(1,659)	5,178
Total funds carried forward	21, 22	15,714	142	15,856	17,515

All amounts relate to continuing operations. There is no material difference between the surplus on ordinary activities and the surplus for the financial year stated above and their historical costs equivalents.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 34-53 form an integral part of these financial statements.

See note 5 for comparative charity statement of financial activities analysed by funds.

Consolidated group and charity balance sheets as at 31 December 2019

	Notes	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Fixed assets					
Intangible assets	14	751	433	751	433
Tangible assets	15	878	762	371	348
Total fixed assets		1,629	1,195	1,122	781
Current assets					
Stocks	16	1,339	1,344	658	545
Debtors	17	2,541	3,540	2,442	3,483
Cash at bank and in hand		12,693	13,792	12,369	13,364
Total current assets		16,573	18,676	15,469	17,392
Liabilities					
Creditors: amounts falling due within one year	18	1,499	1,817	735	658
Net current assets		15,074	16,859	14,734	16,734
Net assets		16,703	18,054	15,856	17,515
Funds					
Unrestricted funds	21	16,561	17,628	15,714	17,089
Restricted funds	21,22	142	426	142	426
Total funds		16,703	18,054	15,856	17,515

These financial statements of Mary's Meals International Organisation on pages 30-53 were approved by the board of trustees and authorised for issue on 10 June 2020 and signed on its behalf by:



David Clayton
Chair

Charity Number SC045223
Company Number SC488380

Consolidated group and charity cash flow statements for the year ended 31 December 2019

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Net cash flows from operating activities	105	6,737	132	7,049
Cash flows from investing activities				
Interest income	95	53	90	49
Purchase of fixed assets	(878)	(911)	(596)	(699)
Proceeds from disposal of fixed assets	39	38	27	-
Net cash change in investing activities	(744)	(820)	(479)	(650)
Change in cash and cash equivalents	(639)	5,917	(347)	6,399
Cash and cash equivalents				
Cash and cash equivalents brought forward	13,792	7,754	13,364	6,800
Change in cash and cash equivalents due to exchange rate movements	(460)	121	(648)	165
Cash and cash equivalents carried forward	12,693	13,792	12,369	13,364

Cash and cash equivalents are represented by cash at bank and in hand.

Note to the consolidated cash flow statement

Reconciliation of net cash flows from operating activities

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Net (expenditure)/income	(862)	6,144	(1,000)	5,000
Bank interest	(95)	(53)	(90)	(49)
Depreciation and amortisation charge	410	345	244	181
(Gain)/loss on disposal of fixed assets	(34)	(22)	(27)	2
Decrease/(increase) in stocks	5	(23)	(113)	64
Decrease in debtors	999	1,536	1,041	1,561
(Decrease)/increase in creditors/accruals	(318)	(1,190)	77	290
Net cash provided by operating activities	105	6,737	132	7,049

Notes to the financial statements

for the year ended 31 December 2019

1. General Information

MMI is a charity incorporated in Scotland and a company limited by guarantee. The registered address is detailed on page 3.

MMI meets the definition of a public benefit entity under FRS 102.

2. Statement of Compliance

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 2015) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (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 are summarised below. The accounting policies have been applied consistently throughout the year.

3.1 Basis of preparation

The financial statements have been prepared on the going concern assumption and accruals concept and provide information that is relevant, reliable, comparable and understandable.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

3.2 Basis of consolidation

The financial statements consolidate the results of the organisation on a line-by-line basis. The Charity consists of MMI, a UK registered company, plus its branches in Bosnia-Herzegovina, Kenya and Liberia. The Group comprises the Charity plus its subsidiaries Scottish International Relief Malawi and Mary's Meals Zambia.

Scottish International Relief Malawi and Mary's Meals Zambia: These entities are closely associated with MMI and implement its projects in Malawi and Zambia respectively. In accordance with best practice, the financial statements of Scottish International Relief Malawi and Mary's Meals

Zambia have been consolidated in the group financial statements. This is based on the guidelines in the Statement of Recommended Practice for charities that, where there is dominant influence due to control, the financial statements should be consolidated. Specifically, MMI appoints senior staff, sets budget and longer-term financial strategy, defines strategic objectives, provides the framework (school feeding model) within which they operate and transfers cash to enable their operations.

None of the Mary's Meals National Affiliates are controlled or consolidated by MMI.

3.3 Going concern

The organisation's activities and future plans are set out in the trustees' annual report. The organisation has considerable financial resources and a wide and stable fundraising base in place across the Mary's Meals network. As a consequence, the trustees believe that the organisation is well placed to manage its business risks successfully despite the current uncertain economic outlook amid the global spread of Covid-19. A high-level financial modelling exercise has been undertaken to demonstrate and give reassurance that the level of reserves is sufficient to sustain operations for the foreseeable future and for at least the next 12 months. Thus, the going concern basis of accounting continues to be adopted in preparing the annual financial statements.

3.4 Income

All income is included in the statement of financial activities (SoFA) when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations are included in full in the SoFA when receivable. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Bank interest is included in the year in which it is receivable.

3.5 Expenditure

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 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.

Costs are allocated on a transactional basis and are assigned on an activity or role basis, with each activity allocated to a particular function. General office expenditure, such as property costs and office services are split on the basis of headcount. Governance costs are apportioned over each core activity on a proportionate expenditure basis.

Costs of raising funds include the apportioned costs associated with attracting donations and legacies.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

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.

3.6 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.

3.7 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. Depreciation rates are as follows:

Plant and machinery - 15% - 33% straight-line

Fixtures, fittings and equipment - 5% - 33% straight-line

Motor vehicles - 25% - 33% straight-line

Computer equipment - 25% - 33% straight-line

3.8 Intangible assets and amortisation

Intangible fixed assets are stated at cost less accumulated amortisation.

Amortisation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life. Amortisation rates are as follows:

Software development costs - 7 years straight-line

This rate reflects a common approach to technology assets of this type and has been confirmed by the MMI project team as appropriate for our particular circumstances.

Software development costs are capitalised only after the technical and financial feasibility of the asset for use is established.

3.9 Stocks

Stocks are valued at the lower of cost or net realisable value.

3.10 Financial instruments

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

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in income and expenditure, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments where the contractual returns, repayment of the principal, or other terms (such as prepayment provisions or term extensions) do not meet the conditions to be measured at amortised cost, are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

3.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation. Finance charges are taken to the SoFA. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are taken to the SoFA on a straight-line basis over the lease term.

3.12 Defined contribution pension schemes

The charity has in place a group pension scheme to make available pension provision to all eligible employees in the UK who have been continuously employed for 3 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. Contributions are allocated across activities based on a percentage split of an employee's contribution to said activities.

3.13 Foreign currencies

Transactions in foreign currencies are recorded at an appropriate forecasted rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the spot rate prevailing at the balance sheet date. Foreign branches and subsidiaries are consolidated by converting income and expenditure at an average rate for the year, with assets and liabilities being converted at the spot rate prevailing at the balance sheet date. All differences are taken to the SoFA.

3.14 Value of donated goods

All donated goods that the charity sends abroad are evaluated to establish how it can maximise the value of the gift, except where appeals are made specifically for items to send overseas i.e. school backpacks.

A wide variety of goods is donated to the charity and sent overseas. In placing a value on these items, the following factors are taken into account:

- the purchase price or market value for new/unused items;
- the price of an equivalent substitute in the recipient area;
- the income which could be generated if the goods were sold in the UK; and
- the depreciation of second-hand goods, or value added through reconditioning or checking by volunteers.

3.15 Transfers between funds and reserves

Transfers from unrestricted to restricted funds enable MMI to continue to fund projects furthering its charitable activities, in different countries, using donations to the general fund. Restricted funds are held for each country where MMI performs its charitable activities.

There is a designated fund held within unrestricted funds to cover Life Assurance for non-UK employees and a designated revaluation reserve held to account for currency

gains and losses realised on consolidated reserves. Both are detailed in note 21.

3.16 Critical accounting judgements and key sources of estimation uncertainty

In the application of MMI's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

4. Comparative consolidated statement of financial activities

	Notes	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000
Income from:				
Donations	6	17,167	8,795	25,962
Charitable activities		10	-	10
Other		87	-	87
Total income		17,264	8,795	26,059
Expenditure on:				
Raising funds	7	293	-	293
Charitable activities	8, 9	11,124	8,498	19,622
Total expenditure		11,417	8,498	19,915
Net income for the year	11	5,847	297	6,144
Other recognised gains:				
Currency gains		152	-	152
Net movement in funds		5,999	297	6,296
Reconciliation of funds				
Total funds brought forward		11,629	129	11,758
Net movement in funds for the year		5,999	297	6,296
Total funds carried forward	21, 22	17,628	426	18,054

5. Comparative charity statement of financial activities

	Notes	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000
Income from:				
Donations	6	16,241	8,795	25,036
Charitable activities		1	-	1
Other		59	-	59
Total income		16,301	8,795	25,096
Expenditure on:				
Raising funds	7	293	-	293
Charitable activities	8, 9	11,305	8,498	19,803
Total expenditure		11,598	8,498	20,096
Net income for the year	11	4,703	297	5,000
Other recognised gains:				
Currency gains		178	-	178
Net movement in funds		4,881	297	5,178
Reconciliation of funds				
Total funds brought forward		12,208	129	12,337
Net movement in funds for the year		4,881	297	5,178
Total funds carried forward	21, 22	17,089	426	17,515

6. Donations

Summary financial performance

Donations	Unrestricted funds £'000	Restricted funds £'000	2019 Total £'000	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000
Benin	-	38	38	-	91	91
East Africa	-	-	-	-	38	38
Ecuador	-	9	9	-	7	7
Ethiopia	-	239	239	-	95	95
Haiti	-	195	195	-	367	367
India	-	90	90	-	175	175
Kenya	-	528	528	-	332	332
Lebanon	-	-	-	-	1	1
Liberia	-	681	681	-	854	854
Madagascar	-	9	9	-	2	2
Malawi	-	4,146	4,146	-	4,856	4,856
Global Feeding	15,042	-	15,042	14,935	-	14,935
MMI Growth Plan	-	397	397	-	-	-
Myanmar	-	1	1	-	-	-
Romania Houses	-	15	15	-	14	14
South Sudan	-	567	567	-	659	659
Syria	-	63	63	-	91	91
Thailand	-	1	1	-	-	-
Uganda	-	2	2	-	2	2
Zambia	-	1,027	1,027	-	744	744
Zimbabwe	-	2	2	-	-	-
Total Charity Donations	15,042	8,010	23,052	14,935	8,328	23,263
Grants	-	-	-	-	467	467
Value of Donated Aid	1,133	-	1,133	1,306	-	1,306
Total Charity	16,175	8,010	24,185	16,241	8,795	25,036
Malawi	28	-	28	30	-	30
Grants	-	-	-	44	-	44
Value of Donated Aid	311	-	311	852	-	852
Total Group	16,514	8,010	24,524	17,167	8,795	25,962

6. Donations (continued)**Analysis of donations (excluding grants and donated aid) by geography of donor**

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Australia	8	-	8	-
Austria	1,540	1,043	1,540	1,043
Belgium	35	13	35	13
Bosnia-Herzegovina	145	134	145	134
Canada	395	308	395	308
Croatia	466	426	466	426
Czech Republic	575	200	575	200
France	61	10	61	10
Germany	1,831	1,395	1,831	1,395
Ireland	699	472	699	472
Italy	464	122	464	122
Malawi	28	30	-	-
Netherlands	56	72	56	72
Portugal	35	9	35	9
Slovakia	45	-	45	-
Slovenia	37	46	37	46
Spain	280	189	280	189
Switzerland	314	217	314	217
UK	11,222	14,651	11,222	14,651
USA	4,672	3,686	4,672	3,686
Other	172	270	172	270
Total	23,080	23,293	23,052	23,263

7. Costs of raising funds

Group and Charity	2019 Total £'000	2018 Total £'000
Employee costs	246	211
Property costs	7	10
Office services	63	55
Transport and travel	8	12
Depreciation and amortisation	15	5
Total	339	293

Costs of raising funds include the apportioned costs associated with attracting donations and legacies. The independent National Affiliates who donate to the Group are responsible for their own fundraising.

8. Charitable activities – by fund type

Group	Unrestricted funds £'000	Restricted funds £'000	2019 Total £'000	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000
Mary's Meals feeding	13,120	8,219	21,339	7,865	8,448	16,313
Romania Houses	66	15	81	64	14	78
Oscar Romero School	247	-	247	184	-	184
Raising awareness	709	16	725	530	36	566
Network support	1,185	44	1,229	1,092	-	1,092
Backpacks and shipped aid	1,573	-	1,573	1,389	-	1,389
Total	16,900	8,294	25,194	11,124	8,498	19,622

Charity	Unrestricted funds £'000	Restricted funds £'000	2019 Total £'000	Unrestricted funds £'000	Restricted funds £'000	2018 Total £'000
Mary's Meals feeding	13,340	8,219	21,559	8,129	8,448	16,577
Romania Houses	66	15	81	64	14	78
Oscar Romero School	247	-	247	184	-	184
Raising awareness	709	16	725	530	36	566
Network support	1,185	44	1,229	1,092	-	1,092
Backpacks and shipped aid	1,133	-	1,133	1,306	-	1,306
Total	16,680	8,294	24,974	11,305	8,498	19,803

9. Charitable activities – by activity

Group	Activities undertaken directly £'000	Activities through partners £'000	Support costs £'000	2019 Total £'000	Activities undertaken directly £'000	Activities through partners £'000	Support costs £'000	2018 Total £'000
Mary's Meals feeding	15,311	4,200	1,828	21,339	11,456	3,289	1,568	16,313
Romania Houses	-	81	-	81	-	78	-	78
Oscar Romero School	247	-	-	247	184	-	-	184
Raising awareness	48	-	677	725	18	-	548	566
Network support	-	-	1,229	1,229	-	-	1,092	1,092
Backpacks and shipped aid	1,573	-	-	1,573	1,389	-	-	1,389
Total	17,179	4,281	3,734	25,194	13,047	3,367	3,208	19,622

Charity	Activities undertaken directly £'000	Activities through partners £'000	Support costs £'000	2019 Total £'000	Activities undertaken directly £'000	Activities through partners £'000	Support costs £'000	2018 Total £'000
Mary's Meals feeding	15,546	4,200	1,813	21,559	11,734	3,289	1,554	16,577
Romania Houses	-	81	-	81	-	78	-	78
Oscar Romero School	247	-	-	247	184	-	-	184
Raising awareness	48	-	677	725	18	-	548	566
Network support	-	-	1,229	1,229	-	-	1,092	1,092
Backpacks and shipped aid	1,133	-	-	1,133	1,306	-	-	1,306
Total	16,974	4,281	3,719	24,974	13,242	3,367	3,194	19,803

Support costs are allocated to the core mission of the group – running of the Mary's Meals school feeding programmes, raising awareness of poverty and supporting the global network. Note 10 details the basis of allocation.

10. Analysis of support costs

Group and Charity	Employee costs £'000	Property costs £'000	Office services £'000	Transport and travel £'000	Depreciation £'000	Governance £'000	2019 Total £'000
Mary's Meals feeding	1,326	28	152	77	39	191	1,813
Raising awareness	422	9	170	9	-	67	677
Network support	790	13	227	51	20	128	1,229
Total Charity	2,538	50	549	137	59	386	3,719
Mary's Meals feeding	-	-	-	-	-	15	15
Total Group	2,538	50	549	137	59	401	3,734

Group and Charity	Employee costs £'000	Property costs £'000	Office services £'000	Transport and travel £'000	Depreciation £'000	Governance £'000	2018 Total £'000
Mary's Meals feeding	1,142	27	107	85	15	178	1,554
Raising awareness	371	9	69	35	3	61	548
Network support	683	13	203	61	7	125	1,092
Total Charity	2,196	49	379	181	25	364	3,194
Mary's Meals feeding	-	-	-	-	-	14	14
Total Group	2,196	49	379	181	25	378	3,208

Costs are allocated on a transactional basis and are assigned on an activity or role basis, with each activity allocated to a particular function. General office expenditure, such as property costs and office services, are split on the basis of headcount. Governance costs are apportioned over each core activity on a proportionate expenditure basis.

11. Net income/(expenditure) for the year is stated after charging:

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Depreciation and other amounts written off tangible fixed assets	334	321	168	157
Amortisation of intangible fixed assets	76	24	76	24
(Gain) on disposal of fixed assets	(34)	(22)	(27)	2
Auditor remuneration	55	52	41	38
Operating lease charges	92	66	35	15

12. Employees

Employment costs	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Wages and salaries	5,623	4,295	4,489	3,474
Social security costs	338	236	330	230
Pension costs	288	209	187	131
Total	6,249	4,740	5,006	3,835

Number of employees monthly average	Group 2019 Number	Group 2018 Number	Charity 2019 Number	Charity 2018 Number
Mary's Meals feeding	504	417	307	254
Raising funds	8	7	8	7
Raising awareness	15	13	15	13
Network support	18	12	18	12
Governance	4	3	4	3
Total	549	452	352	289

The tables above represent employed and contracted staff. They do not include the thousands of volunteers who give their time throughout the network. Their roles vary from spreading the word of the Mary's Meals mission in the UK and fundraising affiliate countries to cooking and serving meals to children in programme countries.

The number of group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60k was:

	2019 Number	2018 Number
£60k - £70k	1	1

Key management compensation

The key management personnel of the charity and group comprise the 10 individuals who were part of the SLT over the course of the year. The total remuneration (including pension contributions and employers' national insurance) of key management personnel totalled £620k (2018: £532k).

No trustees received remuneration for services from the charity or group in the year ended 31 December 2019 (2018: Nil). The charity met £3k (2018: £4k) worth of travel and accommodation expenses on behalf of three trustees.

13. Pension costs

The organisation operates a defined contribution pension scheme in respect of staff. The scheme and its assets are held by independent managers. MMI contributes 8% of employees' salary. Employers are required under the Act to remit aggregated contributions to any of the licensed Pension Administrators. The pension charge represents contributions due from the company and amounted to £173k (2018: £127k). At 31 December 2019, £Nil (2018: £8k) was accrued in the financial statements.

Scottish International Relief Malawi contributes to a mandatory and defined contribution Pension scheme on behalf of its local employees prescribed by the Government of Malawi under the Pension Act of 2010 which came into effect on 1 June 2011.

Mary's Meals Zambia contributes NAPSA for its eligible employees as provided for by law. Membership is compulsory and monthly contributions by both employer and employees are made. The employer's contribution is charged to the income statement in the period in which it arises.

14. Intangible fixed assets

Group and Charity	Software development costs £'000
Cost	
At 1 January 2019	457
Additions	394
At 31 December 2019	851
Accumulated amortisation	
At 1 January 2019	24
Charge for the year	76
At 31 December 2019	100
Net book value	
At 31 December 2019	751
At 31 December 2018	433

15. Tangible fixed assets

Group	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Cost					
At 1 January 2019	18	152	1,828	45	2,043
Exchange variance	-	(7)	(65)	-	(72)
Additions	7	51	400	26	484
Disposals	-	-	(246)	(2)	(248)
At 31 December 2019	25	196	1,917	69	2,207
Accumulated depreciation					
At 1 January 2019	6	70	1,185	20	1,281
Exchange variance	-	(3)	(41)	-	(44)
Charge for the year	4	27	287	16	334
Released on disposals	-	-	(241)	(1)	(242)
At 31 December 2019	10	94	1,190	35	1,329
Net book value					
At 31 December 2019	15	102	727	34	878
At 31 December 2018	12	82	643	25	762

Charity	Plant and machinery £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
Cost					
At 1 January 2019	18	139	994	40	1,191
Exchange variance	-	(6)	(32)	-	(38)
Additions	-	25	151	26	202
Disposals	-	-	(208)	(2)	(210)
At 31 December 2019	18	158	905	64	1,145
Accumulated depreciation					
At 1 January 2019	6	66	755	16	843
Exchange variance	-	(3)	(25)	-	(28)
Charge for the year	4	23	125	16	168
Released on disposals	-	-	(208)	(1)	(209)
At 31 December 2019	10	86	647	31	774
Net book value					
At 31 December 2019	8	72	258	33	371
At 31 December 2018	12	73	239	24	348

16. Stock

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Backpacks	633	799	-	-
Food	509	491	509	491
Non-food items	197	54	149	54
Total	1,339	1,344	658	545

17. Debtors

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Prepayments	345	176	246	120
Other debtors	1	3	1	2
Accrued income	2,195	3,361	2,195	3,361
Total	2,541	3,540	2,442	3,483

Financial asset debt instruments held at amortised cost are £2,196k (2018: £3,364k) for the Group and £2,196k (2018: £3,363k) for the Charity.

18. Creditors: amounts falling due within one year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade creditors	527	790	391	482
Other creditors	6	2	6	2
Accruals	817	887	239	89
Taxation and social security	144	132	94	79
Finance lease	5	6	5	6
Total	1,499	1,817	735	658

Financial liabilities measured at amortised cost are £1,355k (2018: £1,685k) for the Group and £641k (2018: £579k) for the Charity.

19. Operating lease commitments

The Group and Charity have the following future minimum lease payment commitments under non-cancellable operating leases:

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Within one year	60	42	19	1
Between one and five years	193	188	17	16
In more than five years	-	49	-	4
Total	253	279	36	21

20. Analysis of net assets between funds

	Group			Charity		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Fixed assets	1,629	-	1,629	1,122	-	1,122
Current assets	16,431	142	16,573	15,327	142	15,469
Current liabilities	(1,499)	-	(1,499)	(735)	-	(735)
At 31 December 2019	16,561	142	16,703	15,714	142	15,856

	Group			Charity		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Fixed assets	1,195	-	1,195	781	-	781
Current assets	18,250	426	18,676	16,966	426	17,392
Current liabilities	(1,817)	-	(1,817)	(658)	-	(658)
At 31 December 2018	17,628	426	18,054	17,089	426	17,515

21. Unrestricted and restricted funds

	At 1 Jan 2019 £'000	Income £'000	Expenditure £'000	Currency gains/ (losses) £'000	At 31 Dec 2019 £'000
Unrestricted funds:					
General	16,841	16,303	(17,019)	(561)	15,564
Designated fund	150	-	-	-	150
Revaluation reserve	98	-	-	(98)	-
Unrestricted funds total	17,089	16,303	(17,019)	(659)	15,714
Restricted funds	426	8,010	(8,294)	-	142
Total Charity funds	17,515	24,313	(25,313)	(659)	15,856
Unrestricted funds:					
General	478	358	(220)	(41)	575
Revaluation reserve	61	-	-	211	272
	539	358	(220)	170	847
Total Group funds	18,054	24,671	(25,533)	(489)	16,703

	At 1 Jan 2018 £'000	Income £'000	Expenditure £'000	Currency gains/ (losses) £'000	At 31 Dec 2018 £'000
Unrestricted funds:					
General	12,154	16,301	(11,598)	134	16,991
Revaluation reserve	54	-	-	44	98
Unrestricted funds total	12,208	16,301	(11,598)	178	17,089
Restricted funds	129	8,795	(8,498)	-	426
Total Charity funds	12,337	25,096	(20,096)	178	17,515
Unrestricted funds:					
General	(666)	963	181	-	478
Revaluation reserve	87	-	-	(26)	61
	(579)	963	181	(26)	539
Total Group funds	11,758	26,059	(19,915)	152	18,054

22. Restricted funds

Group and Charity	At 1 January 2019 £'000	Income £'000	Expenditure £'000	At 31 December 2019 £'000
Benin	17	38	(56)	-
Ecuador	-	9	(9)	-
Ethiopia	-	239	(239)	-
Haiti	-	195	(195)	-
India	-	90	(90)	-
Kenya	-	528	(528)	-
Liberia	-	681	(681)	-
Madagascar	-	9	(9)	-
Malawi	-	4,146	(4,146)	-
MMI Growth Plan	-	397	(255)	142
Myanmar	-	1	(1)	-
Romania Houses	-	15	(15)	-
South Sudan	1	567	(567)	-
Syria	47	63	(111)	-
Thailand	-	1	(1)	-
Uganda	-	2	(2)	-
Zambia	-	1,027	(1,027)	-
Zimbabwe	361	2	(362)	-
Total	426	8,010	(8,294)	142

The restricted funds above represent the geographical locations and purpose to which funds are restricted, based on donors' wishes. Restricted funds are used at the earliest opportunity.

22. Restricted funds (continued)

Group and Charity	At 1 January 2018 £'000	Income £'000	Transfers £'000	Expenditure £'000	At 31 December 2018 £'000
Benin	-	91	-	(74)	17
Bosnia-Herzegovina	36	-	-	(36)	-
East Africa	-	38	(38)	-	-
Ecuador	9	7	-	(16)	-
Ethiopia	63	95	-	(158)	-
Haiti	-	367	-	(367)	-
India	-	175	-	(175)	-
Kenya	-	332	6	(338)	-
Lebanon	-	1	-	(1)	-
Liberia	-	854	-	(854)	-
Madagascar	-	2	-	(2)	-
Malawi	-	4,856	-	(4,856)	-
Romania Houses	-	14	-	(14)	-
South Sudan	-	659	23	(681)	1
Syria	21	91	-	(65)	47
Uganda	-	2	9	(11)	-
Zambia	-	744	-	(744)	-
Zimbabwe	-	467	-	(106)	361
Total	129	8,795	-	(8,498)	426

23. Group structure

The Charity consists of MMI, a UK-registered charitable company, including its branches in Bosnia-Herzegovina, Kenya and Liberia. The Group comprises the Charity plus its charitable subsidiaries Scottish International Relief Malawi and Mary's Meals Zambia.

Details of the subsidiaries are included below.

	Scottish International Relief Malawi	Mary's Meals Zambia
Company number		122443
Charity registration number	NGO/R/07/18	
Registered office	Blantyre East 169 Salim Armour Road Ginnery Corner Blantyre, Malawi PO Box E386 Post Dot Net	Base Office Park Plot 35184 Alick Nkhata Avenue PO Box 50794 Lusaka, Zambia
Assets	£1,394k	£359k
Liabilities	£1,511k	£37k
Net assets	(£117k)	£322k
Income for the year	£8,856k	£2,829k
Expenditure for the year	£8,620k	£2,603k
Surplus for the year	£236k	£226k

24. Related party transactions

During the year, MMI paid the Cicero Group £Nil (2018: £20k) for consultancy services. Jacob Allen, a trustee, is a partner in this organisation.

During the year MMI transferred Scottish International Relief Malawi £6,911k (2018: £6,159k) to enable their operations and donated £1,133k (2018: £1,306k) worth of backpacks. Scottish International Relief Malawi is a subsidiary of MMI.

During the year MMI transferred Mary's Meals Zambia £2,781k (2018: £1,557k) to enable their operations. Mary's Meals Zambia is a subsidiary of MMI.

25. Company limited by guarantee

MMI is a company limited by guarantee and accordingly does not have any share capital.

All 25 members of the company have undertaken 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.

26. Post balance sheet events

The impact of Covid-19 globally after the year end has necessarily caused some disruption to our global feeding programmes. However, MMI is adapting to the implications of this and is continuing to focus on delivery of feeding programmes in the countries in which we operate. While financial results in the early months of 2020 indicate that our fundraising income has been holding up, there remains uncertainty about the longer-term outlook. The financial statements have, however, been prepared on a going concern basis, in view of our diverse income base, controllable costs and strong reserves position.



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a simple solution
to world hunger

Mary's Meals International Organisation, Craig Lodge, Dalmally, Argyll, Scotland, PA33 1AR
Charity number: SC045223 Company number: SC488380