

**Annual Report and Accounts for
Management Accounting for Non-Governmental Organisations
Known as “Mango”
For the year ending 31 December 2010**



**Company No. : 3986178
Charity No. : 1081406**

Annual Report and Accounts

For the year ending 31 December 2010

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Chair's Message

Demand for Mango's services has grown in every area in 2010. This demonstrates that NGOs continue to believe in the importance of Mango's mission to strengthen their financial management and accountability. It also suggests that Mango offers good value for money in a financial context where NGOs are being challenged to be more accountable to both beneficiaries and donors.

Mango's success is due to the continued support from our clients and those that give their time or money to enable us to constantly improve the quality and accessibility of our services to NGOs across the world. Thank you so much for your support.

Mango's reputation and growing influence is created through the excellent work of our passionate and committed team. Thank you for all that you have done and all that you continue to do for Mango. The International Aid and Development Charity Award made to Mango in 2009 recognised the important contribution we have made in our first ten years, but the difficult financial context meant we made a small deficit in 2009. It is very encouraging that Mango has made a small surplus in 2010 as this is an early sign that our financial strategy is fully aligned with our aim to provide high quality training, recruitment, consultancy and networking services to NGOs.

Paul Masters
Chair

Director's Message

Mango is blessed with a wise and courageous Board of trustees led by Paul Masters. The Board has advised us as we work towards a vision of the future when everyone in NGOs uses financial management and accountability to help them achieve their objectives.

To achieve this vision, Mango needs to further develop the quality of our work and the influence we can have on NGOs approach to financial management and accountability. It also means we must continually innovate in order to remove the language, geographical and financial barriers which prevent NGOs from being able to access Mango's services.

Mango plans to grow in scale, reach and influence by working in partnership and through developing local and international networks of those, like us, who are passionate about strengthening the financial management and accountability of NGOs. I am so grateful for the welcome I have received from everyone in my first year and the help Mango has received in revising its strategy for the future.

Tim Boyes-Watson
Director

Trustees' Report for the Year Ending 31 December 2010

1. Reference and administrative details

Charity name:	Management Accounting for Non Governmental Organisations
Known as:	Mango
Charity registration no.:	1081406
Company registration no.:	3986178
Registered office:	2 nd Floor Chester House, 21-27 George Street, Oxford OX1 2AU UK
Auditors:	Critchleys LLP Greyfriars Court Paradise Square Oxford OX1 1BE
Bank:	CafCash Limited Kings Hill West Malling Kent ME19 4TA
Trustees:	Paul Masters – Chair Colin Havill – Treasurer Sir John Burgh Richard Collier-Keywood Lord Joffe Paula Laird
Management:	Tim Boyes-Watson - Director Terry Lewis – Training and Publications Director Lucy Markby – Recruitment Director Rob Hayes – Training Manager & Finance Director Sara Holloway – Training Partnerships Manager

Website:

- Visit our website for full details on our services: www.mango.org.uk.
- Mango's Guide to Financial Management for NGOs is free: www.mango.org.uk/guide

2. Structure, governance and management

Mango is a UK-registered charity, regulated by the Charity Commission for England and Wales. It is constituted as a company limited by guarantee. The organisation is bound by its Memorandum and Articles of Association, copies of which are available on request. The trustees listed above are directors of the company and trustees of the charity. Tim Boyes-Watson was appointed Company Secretary on 18 May 2010. Nominations for new trustees are considered by the board and may subsequently be invited to join the board. The management team holds executive responsibility for implementing the policies and strategies approved by the board.

New trustees are provided with an induction to familiarise them with the charity and the non-governmental organisation sector and to brief them on their responsibilities as trustees under charity and company law. New trustees are referred to the Charity Commission's guide "How to be an effective trustee".

Mango's board has identified and reviewed the main risks facing the charity in three categories: financial risk, reputational risk and operational risks. These risks are reviewed regularly and mitigated by the management team following strategies, plans and policies approved by the board.

3. Objects, mission and activities

Mango's mission is to strengthen the financial management and accountability of development and humanitarian NGOs and their partners.

Our mission fits within the object set out in our Memorandum and Articles of Association: "to promote the efficiency and effectiveness of charities and the work of other voluntary organisations which is exclusively charitable". In particular we assist non-governmental organisations with their charitable work in the reduction of poverty.

Throughout 2010 we have continued to work towards our mission by providing six services to NGOs:

- Providing training in financial management for NGOs.
- Recruiting finance staff for NGOs and related organisations.
- Publishing practical guides and tools for NGO financial management.
- Providing consultancy services in NGO financial management.
- Organising professional networking events for NGO finance staff.
- Contributing to debates on performance management and accountability for NGOs.

We work within the framework of our publicly stated values. In all our work we aim to:

- Be transparent and act with integrity.
- Be professional and ensure our work is high quality.
- Be approachable and actively seek out other people's views.
- Work with others to help them achieve their mission.
- Learn and improve by reflecting on our experience and being open to new ideas.
- Be both inspirational and practical.

By following these values we ensure that our activities have a lasting and concrete impact that contributes to achieving our mission in practice.

In reviewing our activities at quarterly board meetings and in setting our objectives and planning our activities during the annual budgeting process, the board has referred to the guidance contained in the Charity Commission's general guidance on public benefit. In particular, the trustees consider how these activities contribute to our mission.

4. Achievements and performance

4.1 Training: www.mango.org.uk/training

Mango provides practical financial management training for NGO staff through a programme of open courses and also offers in-house training to a wide range of NGOs and several universities. Our core courses are one to ten days long and are delivered in regional centres around the world.

Our courses use a highly effective participatory training approach which is designed to 'take the fear out of finance'. We deliberately limit the group size of our courses to maintain the quality of the learning experience.

The training team consists of Training & Publications Director, Training Manager, Training Partnerships Manager, three full- and one part-time trainers, and seven associate trainers.

Key Performance indicators:

During 2010, Mango trained 1857 people on 138 courses in 37 countries around the globe. Our training partners trained a total of 426 people in 14 countries.

Indicator	2010	2009
Number of Open courses delivered	73	77
Number of In-house training courses delivered	65	49
Total number of participants trained by Mango	1,857	1,719
Total number of participants trained by Partners	426	741
Total number of participants trained	2,283	2,460

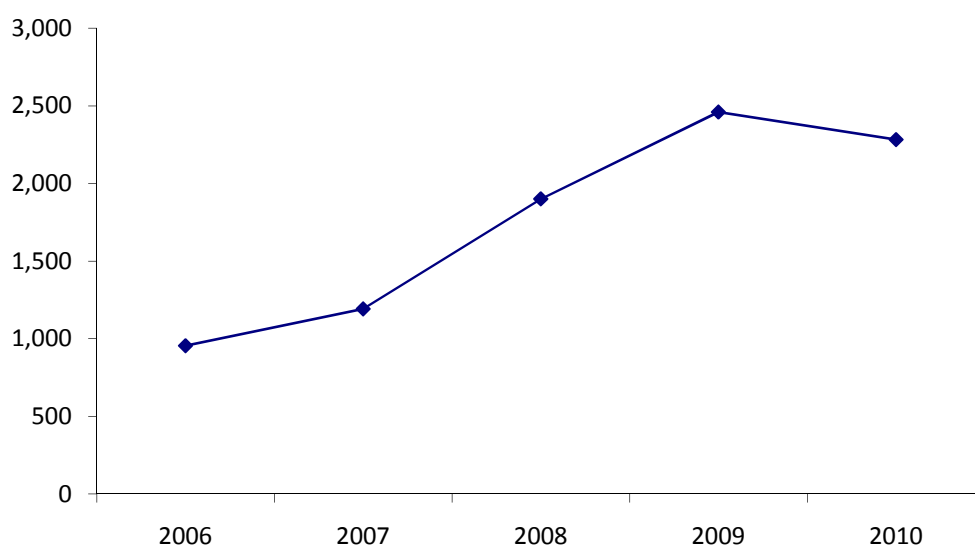


We've been Mango'd!
Haiti, September 2010

We saw an 8% overall increase in the numbers trained directly by Mango in 2010 with a 10% increase in the number of courses delivered.

As well as training participants directly, Mango seeks to extend its reach through training others to deliver finance training and through entering into formal partnerships and licence agreements with Partners. Where possible we try and collect data on the numbers of trainees trained by such Partners. The numbers trained by Partners for which we have been able to collect data was 315 lower than in 2009, which meant that the total numbers trained shown in the graph below was 8% lower than in 2009.

No. of People Trained



In 2010 84% of our Open Training courses were delivered outside of the UK in 20 different countries in the developing world (79% in 2009 in 19 countries). Our in-house training programme was delivered in 27 different countries (27 in 2009).

During 2010, Mango trained participants from 668 different organisations. This represents an 18% increase and includes many organisations receiving Mango training for the first time, as Mango's reputation spreads. The proportion of local versus international NGO staff trained dropped a little but the majority of our trainees are still from small, local NGOs where the need is greatest.

Organisation Type	2010	%	2009	%
Local NGOs	382	57%	354	63%
International NGOs	254	38%	194	34%
Other	32	5%	16	3%
TOTAL	668	100%	564	100%

Course evaluations:

Course evaluations by participants show that Mango continues to deliver excellent training with 99% of participants consistently rating our training as good or excellent:

Assessment	2010	2009
Poor	0%	0%
Fair	1%	1%
Good	32%	34%
Excellent	67%	65%

Participants also rated key aspects of the course on a scale of 1 – 5 (one is the lowest rating and five the highest) demonstrating the relevance of our training and the high standard of training delivery and training approach:

Area assessed	2010 average	2009 average
Relevance of training to participants' work	4.6	4.5
Presentation skills of facilitator	4.7	4.7
Teaching methods used	4.7	4.7
How strongly would you recommend this course to others?	4.7	4.7

"I attended Mango's finance training for program officers just last week. Oh my, it was the best course I have taken for a while! Very inspiring trainer, and most of all, very useful and clear materials."

Krista Brandt, Finnish Red Cross

Training Bursary Fund

The trustees view our bursary awards as vitally important in increasing access to Mango's financial management training courses for local organisations in developing countries. The Bursary Fund is supported by charitable donations including a long-standing anonymous individual donor, for which we are most grateful.

We are grateful for the continued support of Barclays Bank plc for the bursary fund in 2010, albeit on a smaller scale than in 2009. Their kind support enabled us to offer more generous bursaries to local NGO staff to attend Mango's **Strategic Financial Management for NGOs: Managing for Financial Sustainability (FM2)** courses in Ghana, Kenya, Uganda and Zambia.

During 2010 we provided 43 training bursaries to individuals working for poorly resourced local NGOs who would not otherwise be able to benefit from Mango's training service and where the training will have greatest impact. The total value of the bursaries was £20,269. (In 2009 we made a total of 60 bursaries with a total value of £46,837). All bursary recipients make a financial contribution to course costs, usually around 30%.

"Mango's FM2 course was a positive professional and challenging course. Individually it has helped me understand and appreciate strategic financial issues. As an organisation NCD is in its final stages of making its financial reserve policy. This is a great achievement to the organisation. Thanks to Mango for providing us with these skills."

Harris Namutebi, Director, Network for Community Development, Uganda

Training partnerships

During 2010 we continued to develop and expand our training partnerships work with carefully selected partner organisations, helping them deliver high quality training to colleagues and local NGOs. Projects have included providing materials development and licensing and training trainers for Agriterro, a Dutch NGO that supports farmers' associations.

In 2010, 3 existing partnerships continued to train under their licences. We also had 3 new partnerships training using their licences. Although the numbers overall trained were lower than the previous year, the expansion of our work to new partners in new countries encourages us that this work has a promising future.

4.2 Recruitment: www.mango.org.uk/recruitment

Mango believes that offering relief and development organisations quick and cost-effective access to high quality finance staff all around the world, significantly contributes to our mission of strengthening the financial management and accountability of relief and development organisations and their partners.

Our Recruitment team operates a robust screening and selection process including a panel interview to assess all suitable applicants. We pay careful attention to a broad range of financial management competence as well as specific technical skills (such as audit, grants management, donor requirements). We pay equal attention to a candidate's interpersonal strengths and suitability as well as motivation for working in the relief and development context.

We invest in developing deep, long term relationships with our finance staff members, believing that we can better support NGOs by offering a tailored matching service.



Vicky Portnell, Senior Internal Auditor, placed at Christian Aid in 2010

By understanding NGOs finance staffing needs and closely matching our members to those needs, we source the finance staff that can have the greatest impact as NGOs manage increasingly complex finance systems and programme demands.

What our clients say:

“Very friendly, very responsive, very good value for money, good access to the international jobs market. Thanks very much for everything that you’ve provided – it’s been an outstanding service.

Shaun Vincent, IRCT, Copenhagen

Key performance indicators:

In 2010 we made a total of 58 placements (27 field, 22 head office and 9 consultancies) with 32 different organisations. There were a further 6 contract extensions or follow on contracts and 4 fixed term contracts that ended early.

	2010	2009
Number of appointments	58	39
New staff requests	108	74
No. of register members	449	380

The head office appointments were largely in the UK with consultancies in the Netherlands and Belgium. The majority of field assignments were in Africa (Angola, Burkina Faso, DRC, Kenya, Malawi, Somaliland, Sudan, Tanzania, Uganda, Zambia and Zimbabwe). We placed 4 people with 3 different organisations in Haiti and four people across Asia (Bangladesh, Thailand and India).

All this was achieved with a smaller staff team than in 2009. The service was supported by a recruitment team of 3 part time staff: Recruitment Director and 2 Recruitment Officers. In May 2010, one Recruitment Officer became full time to cover maternity leave. During this time we designed and implemented a new recruitment database to improve support to our recruitment processes. We also undertook a review of our activities and priorities to ensure we were maximising the best use of our time.

If you think would like to find out more about our Recruitment Service, please visit our website: www.mango.org.uk/recruitment .

4.3 Consultancy service www.mango.org.uk/consultancy

In 2010 we re-launched Mango’s consultancy service with a clearer focus around risk management and internal audit and dedicated management of the service provided through Jonathan Orchard Ltd. Consultancy income grew from £24,850 in 2009 to £138,473 in 2010. The largest assignments have been in advising Christian Aid on its internal audit function and in helping it manage the risks inherent in two multi-million grant-making programmes to small NGOs in the Democratic Republic of Congo and Sierra Leone.

We believe the demand for consultancy is due to the challenging and dynamic context faced by many NGOs who increasingly recognise the value that an external specialist can bring to

helping them make the changes required to strengthen their financial management practice. We plan to further grow the overall amount of consultancy work and will be creating a salaried Head of Consultancy in 2011 to take this forward.

"I can't speak highly enough of the value Christian Aid has received from Mango. Mango's Consultancy Service supported Christian Aid with a number of strategic projects around risk management and internal audit at a time of significant organisational change and when resources were stretched due to changes in key posts and the financial impact of the recession. Mango know the sector, know our organisation and give us access to highly knowledgeable people."

Martin Birch, Director of Finance and Information, Christian Aid

4.4 Publications www.mango.org.uk/guide

Mango's comprehensive flagship Guide to Financial Management, freely available online and on CD, was re-launched in August 2010. The new Guide has over 100 pages of advice plus tools, tips and example materials for free download.

We are very grateful for the generous support received from a range of sponsors which enabled the Guide to be revised and re-launched. Barclays Bank plc was the main sponsor and hosted a launch event at their headquarters in London which was attended by nearly 100 key stakeholders in December 2010, including Stephen O'Brien MP, Parliamentary Under-Secretary of State of the UK government's Department for International Development. The Association of Accounting Technicians (AAT) and Durbin plc also sponsored the revision of the Guide. Macmillan has provided free use of their on-line Dictionary so that users of the Guide can click on any word and view the word's definition.

In 2010, more than 17,000 documents were downloaded – a significant growth over 2009. The fully revised Finance Health Check saw a spectacular increase in interest while the *Practical Financial Management for NGOs - Getting the Basics Right* Course Handbook available in seven languages, remains a popular download.

Indicator	2010	2009
Total documents downloaded (excl. incomplete)	17,174	11,004
Finance Health Check downloads	2,459	600
Course Handbook downloads	4,139	4,228
Users registering on the Guide *	3,117	4,787

* Note that the registration system changed in August 2010 so that it is no longer compulsory to register to use the Guide or download documents. This has opened up access and has resulted in greater use of the Guide.

"I'm from China and interested in learning NGO financial management but we are limited to get materials from countryside. Now I found Mango website and I am very happy to see many useful and experiential finance guides. I am very thankful for Mango's work and what I learn from your website and CD guides."

Olive Wen, volunteer, Sechuan

4.5 Networking events

Mango provides opportunities for NGO staff to meet to reflect on their work, share experiences and identify good practice. This helps to promote best practice financial management and improve accountability and effectiveness across the sector. In 2010, we continued to convene our seminar series for the Finance Directors of major international NGOs, and also to chair the Overseas Special Interest Group (OSSIG), a sub-group of the Charity Finance Directors Group (CFDG) and a networking group for finance staff in international NGOs based in the UK.

The 2010 Finance Directors seminars were attended by participants from organisations including ActionAid, Care, Concern, HelpAge International, International Planned Parenthood Federation, Oxfam, Plan International, Practical Action, Sightsavers, WaterAid, World Vision. They collectively direct over £1bn of resources.

The seminar series provides a structured approach to discussing key issues with experienced facilitation. The number of participants is generally limited to a maximum of 20. This ensures that the seminars provide a personalised and high quality experience for each participant. They generate substantial insight and added value beyond networking events, driving forward innovation and best practice among leaders in the sector.

Seminars benefit from the regular attendance of two development experts: Robert Chambers (Institute of Development Studies) and Tina Wallace (Oxford University). Other experts are identified to give presentations on specific topics, such as Jan Pieter Lingen and Ari Pekka Jantunen (European Court of Auditors) in 2010. The Finance Director's themselves also take it in turns to prepare and deliver presentations on areas in which they have good practice to share with their colleagues. Mango Associate, Siham Bortcosh, convenes and facilitates the seminars and all papers are made available to any group members who cannot attend through our website.

In 2010, the quarterly seminars topics were: treasury, foreign exchange and ethical investment management; the role of field-based finance staff; long-term financial planning; and restricted funds management.

The topics for 2011 that have been selected by the Finance Directors are: value for money and effectiveness; strategic resource allocation; management information for decision-making. We are very grateful to PwC for hosting these seminars in their office free of charge and to Schneider Foreign Exchange who sponsored the June 2010 seminar.

Mango facilitated one OSSIG meeting in 2010 on the topic of how NGOs can prevent and combat corruption and bribery. Robert Barrington of Transparency International used the occasion to research NGO approaches to bribery. This research led to the formation of an NGO working group on anti-bribery principles and procedures under the auspices of BOND, (the UK umbrella group for INGOs). This NGO working group will be publishing NGO Guidelines on anti-bribery in 2011.

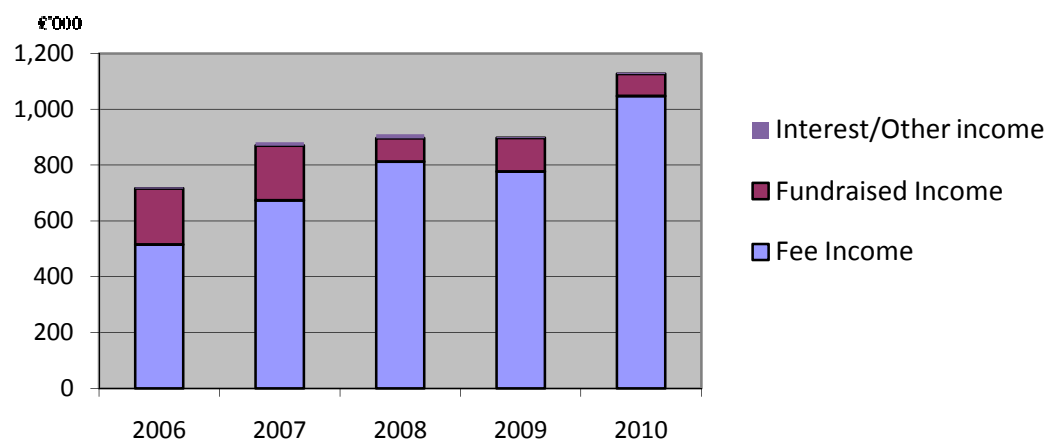
5. Financial review

Total income was as follows:

Source	2010		2009	
	£'000	%	£'000	%
Fee income	1,048	93%	778	87%
Non-fee income (including grants/donations)	80	7%	120	13%
Interest / other income	4		4	
Total	1,132		902	

Total income for 2010 of £1,131,506 was 107% of the total budgeted income for the year.

Income analysis

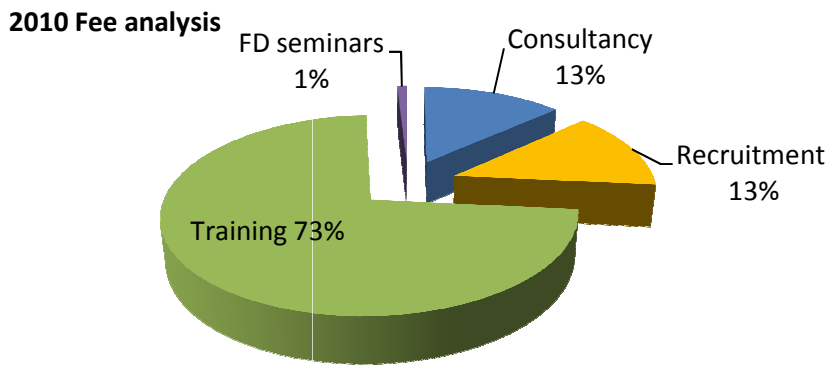


5.1 Fee income

The following activities generated fee income:

Fee earning activity	2010 £'000	2009 £'000
Training	761	665
Consultancy	139	25
Recruitment	139	81
Networking	9	7
Total	1,048	778

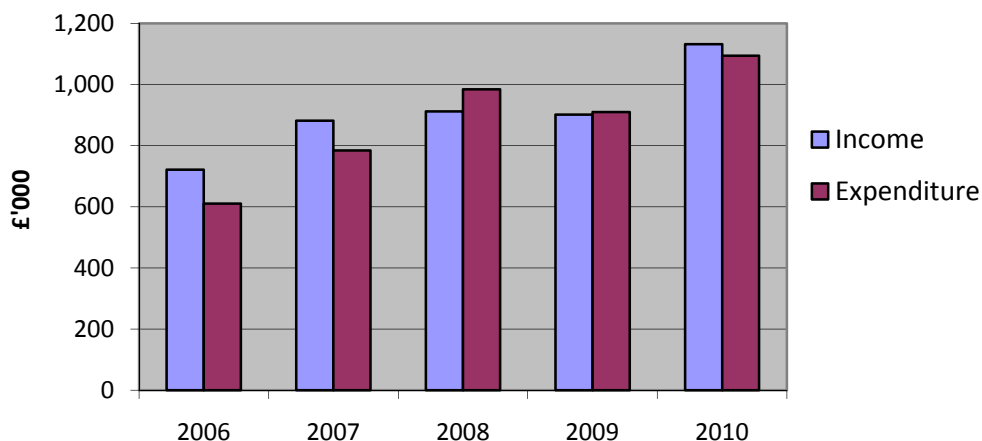
All fees were paid to Mango by NGOs, in pursuit of our primary purpose (helping NGOs strengthen their financial management). Fee income for 2010 was 112% of budgeted fee income and was 135% of 2009's fee income.



Fee generating activity income represents both the key means through which Mango achieves its mission and also sustains itself financially. The strong performance and growth of all Mango's fee generating services in 2010 is therefore very encouraging.

The Recruitment Service had a difficult year in 2009, so the 59% growth in their fee income in 2010 represents a significant turnaround. This has been achieved by offering excellent client support and advice in an external financial environment which remains challenging. Training fee income also grew by 14%. The Consultancy Service was re-launched in March 2010 and has already demonstrated that Mango can offer high quality advice and support on strengthening financial management and systems, which is appreciated by both large and small INGOs.

Total Income & Expenditure



We are aware that many smaller NGOs are unable to afford our standard fees (set at cost recovery level and based on the size of client NGOs). We have mitigated this by providing some free capacity building services (such as Mango's free Guide to Financial Management for NGOs – see section 4.4 above) and by establishing a bursary fund to allow staff from small local NGOs to attend our training courses in developing countries (see section 4.1 above).

5.2 Fundraised and other non-fee income

Fundraised income is vital to our ability to innovate and develop the support we can offer NGOs, especially the smaller NGOs who otherwise would struggle to access our services. £80,439 of fundraised income was received in 2010 of which 62% came from private sector firms with the remainder from individuals and trusts.

Barclays Bank plc support has been vital in enabling Mango to revise and re-launch our Guide to Financial Management for NGOs (see section 4.5 above) and to offer bursaries to small NGOs (see section 4.1 above). We are also extremely grateful to the continued support of our major supporters during the year: Ernst & Young, Deloitte, Littlejohn, the Association of Accounting Technicians, and the Chartered Accountants Livery Company. PricewaterhouseCoopers (PwC) also continued to provide in-kind support in a variety of ways.

Eurovestech plc generously donated 100,000 shares in 2010, which generated dividend income and sale proceeds of over £15,000. KPMG also made a donation for the first time in some years and is increasing its support for Mango's work in other ways as well. Schneider Foreign Exchange Limited and Advanced Business Solutions generously sponsored Mango's seminars for Finance Directors of major UK INGOs.

We also continue to benefit from a number of generous individuals through our patrons scheme and we particularly appreciate this support. Andy Shapcott went further than most by running the London Marathon for us in 2010 generating over £2,000 from his employer, Lloyds TSB, and many other admiring supporters.

5.3 Reserves

During the year, we generated a surplus of £38,229. At 31 December 2010, our unrestricted reserves were £215,257 (2009: £165,966).

The board has approved a policy of maintaining unrestricted reserves at the level needed to cover three months expenditure. As at 31 December 2010, unrestricted reserves were equivalent to 2.15 months budgeted expenditure in 2011. The level of unrestricted reserves is also reviewed against the risks to budgeted net unrestricted income in the annual budget. It was estimated that the maximum risk to budgeted net unrestricted income in the 2011 budget was £155,000. Therefore, the plan will be to continue to increase reserves gradually to 3 months budgeted expenditure over 2011 and 2012.

Restricted reserves were £9,218 at 31 December 2010 (2009: £20,280).

6. Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charitable purposes and Public Benefit".

Mango's charitable purpose is enshrined in its objects "to promote the efficiency and effectiveness of charities and the work of other voluntary organisations which is exclusively charitable". The Trustees ensure that this purpose is carried out for the public benefit by

delivering services that are valued by NGOs in their humanitarian relief and development work enabling them to strengthen their financial management and accountability and to develop and adopt best practice.

Mango makes financial management relevant and accessible to NGO staff, and achieves real results in building their skills and confidence. This has a direct impact in improving efficiency, effectiveness and accountability and ultimately enables NGOs to do more with every pound they are given. They can support more communities, dig more wells and - in the extreme case - save more lives. This helps to enhance public confidence and trust in the NGO sector.

We are committed to making our services as accessible as possible to smaller NGOs based in developing countries and we rely upon charitable donations to do so.

7. Plans for 2011 and beyond

In 2010, Mango developed a new strategy for the next 5 years and a balanced scorecard to help manage implementation of that strategy.

The need to strengthen financial management in NGOs that Mango was set up to address continues to be critically important. Mango's experience over the last ten years suggests that NGOs need to ensure that their governance, recruitment and development of staff, systems and strategy all address and mutually reinforce strong financial management and accountability. Mango's range of services recognises the need to enable NGOs to strengthen some or all of these areas through different means. By "taking the fear out of finance", Mango recognises the central importance of strengthening the financial management skills of programme staff and leaders within NGOs and reducing any perceived barriers between finance and non-finance staff.

The key changes to Mango's strategy follow Mango's understanding of the likely changes in the context of its work:

- Increasing decentralisation of NGOs amid a wider context of globalisation
- Growing demands for accountability and professionalisation of NGOs
- Increasingly rapid adoption of mobile and social networking technologies by NGOs and their staff

Key Goals for 2011-2015

Mango's key goals can be summarised as follows:

1. Skills

To build the confidence and skills of NGO staff and board members to improve accountability and integration of financial management in the management and governance of their programmes.

2. Staff

To increase accessibility to high quality financial management staff for development and humanitarian organisations and their partners, all around the world.

3. Strategies and systems

To enable NGOs to strengthen their financial management strategies and systems and to improve their governance, risk management and accountability processes.

4. Standards

To support the integration of financial management and accountability into the development and implementation of standards of performance for NGOs and professional standards for NGO staff.

5. Networks

To enable NGOs and NGO staff to share information, expertise and develop good practice in financial management and accountability through networking and mentoring.


6. Develop Mango

To continuously develop our own professional skills and quality of our work and ensure the organisation is financially sustainable.

Small Company Exemptions

This report is prepared in accordance with the small companies regime under the Companies Act 2006. The accounts on pages 22 to 31 have been prepared in accordance with Financial Reporting Standard for Smaller Entities (effective April 2008).

Signed on behalf of the Trustees and Directors of Management Accounting for Non-Governmental Organisations (known as Mango) by:



Paul Masters
Chairman

Date: 28 June 2011

Management Accounting for Non-Governmental Organisations (known as Mango)

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (United Kingdom Generally Accepted Accounting practice applicable to smaller entities). Under company law the trustees must not approve financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

Each Trustee has taken all the steps that he ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Signed on behalf of the Trustees.



Name: Colin Havill

Date:

21/6/11

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAGEMENT ACCOUNTING FOR NON-GOVERNMENTAL ORGANISATIONS

We have audited the financial statements of Management Accounting for Non-Governmental Organisations for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 19 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Report



Robert Kirtland
Senior Statutory Auditor

For and on behalf of Critchleys LLP
Statutory Auditor
Oxford

5/7/2011

**Management Accounting for Non-Governmental Organisations
(known as Mango)**

**Statement of Financial Activities
for the period ending 31 December 2010**

	<i>Note</i>	2010 Unrestricted £	2010 Restricted £	2010 Total £	2009 Total £
<u>Income</u>					
<i>Fee income</i>					
Training & Training Partnerships		761,234		761,234	664,306
Recruitment		139,288		139,288	81,243
Consultancy		138,473		138,473	24,850
FD Seminars		8,960		8,960	7,375
<i>Non-fee income</i>					
	11				
<i>Voluntary income</i>					
Individuals		6,431	14,486	20,917	21,193
Trusts		6,000		6,000	7,000
Private sector firms		29,000	15,537	44,537	83,664
Other			5,000	5,000	5,000
Sponsorship income		3,985		3,985	3,000
<i>Interest received</i>		932		932	4,324
<i>Dividends</i>	11	2,180		2,180	0
Total income		1,096,483	35,023	1,131,506	901,955
<u>Expenditure</u>					
	3				
<i>Fundraising costs</i>	5	18,826		18,826	16,784
<i>Charitable activities</i>					
Training		611,679	25,268	636,947	629,494
Training Partnerships		121,795		121,795	95,066
Recruitment		111,870		111,870	126,550
Consultancy		120,868		120,868	29,554
Network facilitation		22,518		22,518	11,852
Publications		1,827	20,817	22,644	7,720
Standards		1,515		1,515	1,711
<i>Governance costs</i>	6	35,411		35,411	11,124
Total expenditure		1,046,309	46,085	1,092,394	929,855
<i>Realised losses on investment assets</i>	11	883		883	
Operating surplus/(deficit)	2	49,291	(11,062)	38,229	(27,900)
<u>Reconciliation of Funds</u>					
Total funds brought forward		165,966	20,280	186,246	214,146
Operating surplus/(deficit)		49,291	(11,062)	38,229	(27,900)
Total funds carried forward		215,257	9,218	224,475	186,246

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**Management Accounting for Non-Governmental Organisations
(known as Mango)**

Balance Sheet as at 31 December 2010

	<i>Note</i>	2010 £	2010 £	2009 £	2009 £
Fixed Assets	12		5,857		4,263
<u>Current Assets</u>	13				
Debtors		107,343		34,139	
Accrued income		4,601		12,888	
Prepayments		8,865		4,496	
Other debtors		7,233		7,363	
Cash in hand and at bank		<u>296,763</u>		<u>270,829</u>	
		424,805		329,715	
<u>Current Liabilities</u>	14				
Reclaimable expenses		1,634		655	
Trade creditors		32,491		22,255	
Accrued expenditure		105,715		70,889	
Training fees received in advance		<u>66,347</u>		<u>53,933</u>	
		<u>206,187</u>		<u>147,732</u>	
Net Current Assets			<u>218,618</u>		<u>181,983</u>
Net Assets			<u>224,475</u>		<u>186,246</u>
<u>Represented By:</u>	16				
Unrestricted funds b/f		165,966		214,146	
Movement on unrestricted funds		<u>49,291</u>		<u>(48,180)</u>	
Unrestricted funds c/f			215,257		165,966
Restricted funds b/f		20,280		0	
Movement on restricted funds		<u>(11,062)</u>		<u>20,280</u>	
Restricted funds c/f			<u>9,218</u>		<u>20,280</u>
			<u>224,475</u>		<u>186,246</u>

These financial statements have been prepared in accordance with provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008). The notes on pages 24 to 31 form part of these accounts.

These financial statements were approved and authorised for issue by the board on:

Signed on behalf of the board: Colin Havill
Company Number 3986178



Date:

21/6/11

Management Accounting for Non-Governmental Organisations (known as Mango)

Notes to the Accounts for the year ending 31 December 2010

1. Accounting Policies

a) Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006 except that alternatives to the standard SORP 2005 headings have been used in the Statement of Financial Activities, as the Trustees feel that the revised headings make the accounts easier to read for a non-financial audience. The accounts have also been prepared in accordance with applicable accounting standards. The principal accounting policies adopted in the preparation of the accounts are set out below.

The accounts have also been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act.

b) Income

Fee income from charitable activities consists of fees charged for service provision including training, consultancy work and placing accountants with NGOs. Income is deferred when training course fees are received in advance of the courses to which they relate, or when grants are received in advance of the period in which the activities to which they relate will be performed. Grants and donations given to fund revenue expenditure are credited to the income and expenditure account in the period for which they are given. Donated shares are valued at the market price at the date of the donation.

c) Expenditure

Expenditure is allocated to the particular activity for which each specific cost was incurred. Expenditure is allocated in the period in which the costs are incurred. Mango is partially exempt from VAT. In 2010 Mango incurred £15,823 of irrecoverable VAT which is included within expenditure.

d) Restricted Funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

e) Tangible Fixed Assets and Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life on straight-line basis. These are set out in note 12. There is a de-minis limit of £1,000 below which fixed assets are not capitalised.

f) Pension contributions

The company operates a defined contribution pension scheme, the Mango Group Personal Pension Scheme, the assets of which are held in external funds. Contributions of 5% of pensionable salary are charged to the statement of financial activities as they become payable.

g) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sale proceeds and the market value at the time the donation of shares was received.

2. Operating surplus/(deficit)

Operating surplus/(deficit) is stated after charging:

	2010	2009
		£
Depreciation of tangible assets	5,474	5,280
Auditor's remuneration	1,800	1,550

3. Expenditure

	Direct costs 2010	Overheads 2010	Total 2010	Total 2009
Charitable activities:				
Training	535,759	101,188	636,947	629,494
Training partnerships	98,717	23,078	121,795	95,066
Recruitment	83,466	28,404	111,870	126,550
Consultancy	110,217	10,651	120,868	29,554
Network facilitation	20,743	1,775	22,518	11,852
Publications	20,869	1,775	22,644	7,720
Standards	1,515	0	1,515	1,711
			0	
Fundraising costs:	15,275	3,551	18,826	16,784
Governance costs:	28,310	7,101	35,411	11,124
Realised losses on investment assets	883		883	
Total	915,754	177,523	1,093,277	929,855

Overheads have been allocated on the basis of the percentage of Full Time Equivalent staff employed in each area of activity.

4. Overheads

	2010 £	2009 £
Administration expenses	79,469	81,461
Staff costs	98,054	91,137
Other income / expenditure		65
Overheads charged to restricted funds		
Total	177,523	172,663

5. Fundraising costs

	2010 £	2009 £
Staff costs	13,810	12,894
Direct costs	1,465	426
Overhead allocation	3,551	3,464
Total	18,826	16,784

6. Governance costs

	2010 £	2009 £
Staff costs	21,517	7,480
Audit fees	1,800	1,550
Support costs	4,993	362
Overhead allocation	7,101	1,732
Total*	35,411	11,124

Governance costs include all costs directly related to meeting the charity's statutory requirements, including staff time spent supporting the board of trustees, preparing the annual report and accounts. Strategic planning costs of £25,836 are also included (2009: nil).

7. Trustee remuneration, benefits and expenses

The Trustees received no remuneration or benefits during the year (2009: nil). Expenses in the year totalled £979 (2009: nil) with 1 Trustee reimbursed for the costs of dinner events for major donors and patrons held at the House of Lords.

8. Director and employees

The average number of staff during the year, including full-time and part-time employees, was 17.5 (2009: 16). The number of full-time equivalent employees was 13.6 (2009: 12.8). There were 2 temporary members of staff in 2010 (2009: 3).

Employee emoluments were as follows:

	2010 £	2009 £
Staff salaries*	503,360	452,130
Social security costs	48,977	43,700
Pension contributions	24,432	17,795
Total	576,769	513,625

* Includes £2,045 in respect of temporary agency staff in 2010 (2009: £2,222)

Pension contributions in 2010 were higher than in 2009 due to higher staff numbers in 2010 and the release of accrued pension contributions in 2009 for leavers who had not previously joined the pension scheme.

Emoluments of the Director

	2010 £
Salary	63,000
Pension contributions	3,125
Total	66,125

In 2009 the highest paid salary was £47,191.

9. Leasing commitments

Commitments under non-cancellable operating leases will result in the following payments falling due in the following year

	2010 Land & buildings £	2009 Land & buildings £
Expiring:		
Within 1 year	8,495	
Within 2 - 5 years		19,500

The lease on the current office expires on 8 June 2011. Mango will remain in the current office with a new lease expected to be signed in June 2011.

10. Taxation

No Corporation Tax is payable since, as a registered charity, the company is generally exempt on its income and capital gains provided they are applied for charitable purposes.

11. Non-fee income**Unrestricted donations, sponsorship and associated support**

Received from	2010 £	2009 £
Eurovestec plc	14,000	
Ernst & Young	10,000	10,000
Deloitte		10,000
Donations from individuals	6,431	3,763
Donations from trusts	6,000	2,000
KPMG	5,000	
PricewaterhouseCoopers		5,000
Chartered Accountants Livery Co.		5,000
Schneider Foreign Exchange Ltd	2,685	
Advance Business Solutions	800	
Littlejohn	500	3,000
Total	45,416	38,763

In 2010, Eurovestech plc made a donation of shares which, at the time of donation, had a market value of £14,000. Subsequently, a dividend of £2,180 was received. The shares were sold in 2010 with sale proceeds of £13,117.

Schneider Foreign Exchange Ltd and Advance Business Solutions sponsored the Finance Directors seminars organised by Mango at a cost of £2,685 and £800 respectively.

Littlejohn continued their sponsorship of our widely used “Guide to Financial Management for NGOs”, at a cost of £500 in 2010. As set out in the Third Party Policy on the Guide, this did not influence the content or recommendations made in the Guide. See www.mango.org.uk/guide for details.

Restricted grants

Received from	2010 £	2009 £
Barclays Bank plc	15,537	58,664
Association of Accounting Technicians Educational Trust		5,000
Bursaries funded by anonymous donor	10,268	17,430
Chartered Accountants Livery Co.	5,000	
Donations from individuals	4,218	
Total	35,023	81,094

Barclays Bank plc has continued to provide generous bursaries to allow staff to attend Mango's ***Strategic Financial Management for NGOs – Managing for Financial Sustainability (FM2)*** in 2010 in Ghana, Kenya, Uganda and Zambia. In addition, funding was provided to Mango to meet the cost of printing manuals for all these courses together with those for Mango's ***Practical Financial Management for NGOs: Getting the basics right (FM1)*** and ***Grant Management Essentials: How to Keep Your Donors happy (FM8)*** courses.

An anonymous donor has generously continued to provide funding for bursaries to allow staff from poorly resourced Southern NGOs in other countries to attend our training courses.

Chartered Accountants Livery Co. has also provided funding for bursaries.

Individual donations were received through the Big Give Challenge to develop new freely available self-study packs to many small local and International NGOs around the world.

12. Fixed Assets

	Office Furniture	Computers	Projectors	Software	Total
	£	£	£	£	£
Cost					
As at 1 st January 2010	8,570	17,383	4,598	10,020	40,571
Additions in year	-	-	-	7,068	7,068
Disposals	-	-	-	-	-
As at 31 st December 2010	8,570	17,383	4,598	17,088	47,639
Depreciation					
As at 1 st January 2010	6,057	16,689	4,598	8,964	36,308
Charge for year	1,368	694	-	3,412	5,474
Disposals	-	-	-	-	-
As at 31 st December 2010	7,425	17,383	4,598	12,376	41,782
Net book value					
As at 31 st December 2009	2,513	694	0	1,056	4,263
As at 31 st December 2010	1,145	0	0	4,712	5,857

Fixed assets are depreciated using the straight-line method. Office furniture is depreciated over 5 years and computers, projectors and software are depreciated over 3 years. All assets are held for direct charitable purposes.

13. Debtors and Prepayments

	2010 £	2009 £
Trade debtors	107,343	34,139
Prepayments	8,865	4,496
Rent deposit	6,500	6,500
Accrued income	4,601	12,888
Other debtors	733	
Employee advances		863
Total	128,042	58,886

14. Creditors: Amounts falling due within one year

	2010 £	2009 £
Reclaimable expenses	1,634	655
Trade creditors	32,491	22,255
Accrued expenditure	102,505	64,478
Accrued pension contributions	3,210	6,411
Training fees received in advance	66,347	53,933
Total	206,187	147,732

All training fees received in advance are released to incoming resources in the following year when the training takes place. Only 'training fees received in advance' which have been paid are included above, not those which we have invoiced but have not yet been paid.

15. Capital and Reserves

The company is limited by guarantee and does not have a share capital. Each member has given a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31st December 2010 there were 6 members.

16. Balances on general and restricted funds

	At 1/1/10 £	Income £	Expenditure £	Transfers £	At 31/12/10 £
General funds	165,966	1,096,483	1,047,192		215,257
Training: bursaries, course handbooks etc	-	30,268	25,268	-	5,000
Publications	20,280	4,755	20,817		4,218
Total	186,246	1,131,506	1,093,277	-	224,475

17. Analysis of net assets by funds

	Restricted Fund £	Unrestricted Funds £	Total £
Fixed assets	-	5,856	5,856
Net current assets	9,218	209,401	218,619
Total	9,218	215,257	224,475