

**Annual Report and Accounts for  
Management Accounting for Non-Governmental Organisations  
Known as “Mango”**

**For the year ending 31 December 2009**



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

## **Annual Report and Accounts**

**For the year ending 31 December 2009**

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## Chair's Message

2009 was a challenging year for Mango and the international NGO sector generally operating in a tough and uncertain economic environment. Mango continued to provide high quality services to existing and new clients around the world, despite the difficulties, achieving 91% of budgeted income and tightly controlling costs. This is no mean achievement in the circumstances. We greatly appreciate the continued support of our clients in using Mango's services, and 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. It is through your efforts that we are in superb shape to take advantage of the opportunities that will arise in 2010 and can look back with pride to our achievements in 2009. We are also enormously grateful to the donors who have supported our activities so generously.

## 2009 International Aid and Development Charity Award



Jon Culshaw presenting Mango's award to Training Director, Terry Lewis, Chair, Paul Masters and Mango's Finance and Fundraising Director, Denise Joseph. The award was sponsored by Zurich, an early Mango supporter. Zurich's Managing Director, Rob Allison (right), congratulated Mango on winning the Award.

In June, we were thrilled to receive the 2009 UK Charity award for International Aid and Development in recognition of Mango's "outstanding commitment to helping improve the effectiveness of aid agencies and NGOs (Non Governmental Organisations) by providing financial training and finance staff .... It is among the best-managed charities in the UK."

It is wonderful that the judges chose to recognise Mango's work so publicly: it is a great reward for all who have contributed to Mango's achievements over the years but the award would not have been possible without our founding Director's vision, determination and inspiration, the passion and commitment of a truly dedicated team, our loyal clients, supportive fellow trustees and of course our committed donors.

## Mango is 10 and still counting!

In November Mango celebrated its 10<sup>th</sup> birthday. Our first ten years have been a huge success. Over 7,000 NGO staff have attended Mango's practical training courses in over 40 countries; we have placed more than 400 financial professionals worldwide with NGOs all over the world and over 400,000 documents - including Mango's free Health Check (in eight languages) and basic accounting system and training manual (available in five languages) - have been freely downloaded from Mango's website in 194 countries, helping to improve efficiency, effectiveness and accountability.

## Welcome to Mango's New Director



As we look forward to Mango's second decade we are delighted to welcome Tim Boyes-Watson as Mango's new Director from 1 January 2010. Tim, a chartered accountant, brings a wealth of experience to Mango, having led Learning South West, a UK education and youth work charity, through a substantial period of growth from November 2005. He previously served as Country Director of VSO Vietnam and worked with Christian Aid for five years in various roles as Head of Finance, Head of Programme Funding and Support and Director of Finance and Information Management. He has also worked as a Regional Accountant with Save the Children supporting field offices in West and Southern

Africa in financial management and reporting.

Tim has joined Mango at an exciting time. His initial focus will be Mango's strategic plan for the next 3-5 years. I know that he looks forward to working with you all on this in 2010 and beyond.

Paul Masters

## Trustees' Report for the Year Ending 31 December 2009

### 1. Reference and administrative details

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

#### Website:

- Visit our website for full details on our services: [www.mango.org.uk](http://www.mango.org.uk).
- Find course outlines and our open training course calendar here: <http://www.mango.org.uk/training>
- Great people for NGO finance jobs can be found or apply here: [www.mango.org.uk/recruitment](http://www.mango.org.uk/recruitment)
- Mango's Guide to Financial Management for NGOs is free: [www.mango.org.uk/guide](http://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 of Non Governmental Organisations (NGOs) working in humanitarian aid and development.

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 2009 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,
- Balance our interests with other stakeholders' interests,
- Collaborate with and empower others,
- Learn and improve by reflecting on our experience,
- 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](http://www.mango.org.uk/training)

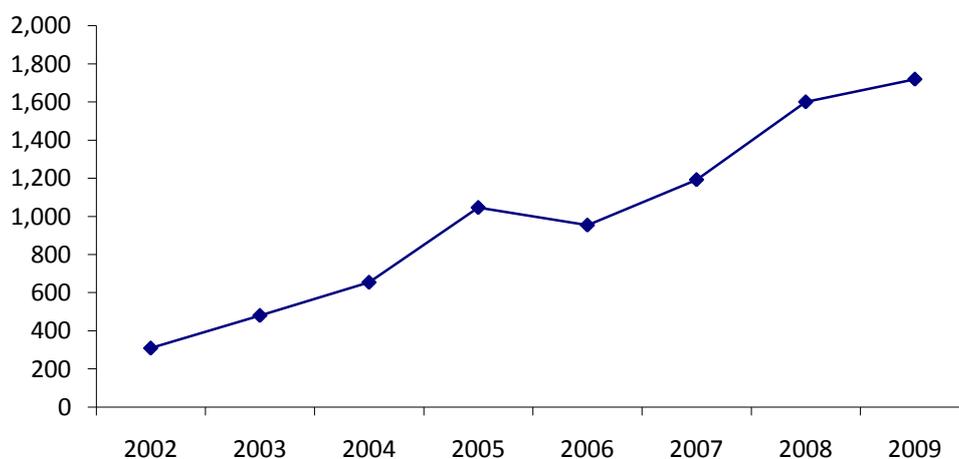
Mango provides practical financial management training for NGO staff. Our core courses are one to ten days long and are delivered in regional centres around the world. Mango also delivers in-house training for a wide range of NGOs on a consultancy basis.

The training team, consisting of Training & Publications Director, Training Manager, Training Partnerships Manager, two full time trainers and seven associate trainers, delivered courses in 27 countries around the globe including for the first time China, Egypt, Mali, Papua New Guinea and Vietnam. We also ran a four-week Master's programme module at Liverpool University's School of Tropical Medicine.

##### Key Performance indicators:

	2009	2008
Number of Open courses delivered	77	69
Number of In-house training courses delivered	49	50
Total number of participants trained	1,719	1,600

**No. of People Trained**



We saw a small (7%) overall increase in the numbers trained in 2009 with a 6% increase in the number of total courses delivered. We deliberately limit the numbers of people coming to each course, to maintain the quality of the learning experience.

In 2009 79% of our open courses were delivered outside of the UK in 19 different countries in the developing world (75% of our open courses were delivered outside the UK in 2008 in 22 developing countries). Our in-house training programme was delivered in 27 different countries.

During 2009, Mango trained participants from 564 different organisations (2008: 424), comprising:

- 354 Southern NGOs (2008: 232),
- 194 International NGOs (2008: 170),
- and 16 other organisations (2008: 22).

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. We were thrilled to secure the support of Barclays Bank plc for the bursary fund for 2009-2010 as part of an innovative and exciting collaboration. We are also grateful to an anonymous donor for continued support to our bursary fund. This support has enabled us to provide 94 training bursaries in 2009 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 £46,837. (In 2008 we made a total of 34 bursaries with a total value of £15,425). All bursary recipients make a financial contribution to course costs, usually around 15-25%. Barclays Bank plc's support enabled us to offer more generous bursaries to local NGO staff to attend Mango's **Practical Financial Management for NGOs – Getting the Basics Right (FM1)** courses in 2009 in Botswana, Egypt, Ghana, Kenya, Uganda, Zambia and India.

#### Course evaluations:

Course evaluations by participants show that Mango continues to deliver excellent training. The overall assessments were as follows:

	2009	2008
Poor	0%	0%
Fair	1%	1%
Good	34%	39%
Excellent	65%	60%

These ratings confirm the quality of Mango's training courses with 99% of participants consistently rating our training as good or excellent. Participants also rated key aspects of the course on a scale of 1 – 5 (one is the lowest rating and five the highest):

	2009 average	2008 average
Relevance of training to participants' work	4.5	4.5
Presentation skills of facilitator	4.7	4.7
Teaching methods used	4.7	4.6
How strongly would you recommend this course to others?	4.7	4.6



*“Our mindset about the whole issue of financing our mission has been transformed...Now....we are working to ensure sustainability and understand the need to have a financing strategy.”*  
**Hellen Okundi, Executive Director,  
People’s Initiative for Self Empowerment**

## 4.2 Training partnerships

During 2009 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 InsideNGO, Save the Children and Agriterra.

We also ran 7 open and 2 in-house ‘Training for Trainers’ courses around the world. These activities make our proven training approach available to other service providers, helping the NGO sector develop its training capacity, in line with Objective 2 of our strategic plan.

In 2009, our training partners trained a total of 741 people on 41 training events in 28 countries. The Training Partnerships programme is now significantly extending the reach of our work and continues to be a key strategy for us.

## 4.3 Recruitment: [www.mango.org.uk/recruitment](http://www.mango.org.uk/recruitment)

Mango offers relief and development organisations quick and cost-effective access to high quality pre-screened and selected finance professionals, who have the technical skills, interpersonal competencies and commitment to work effectively with NGOs around the world.

The number of staff requests and appointments made in 2009 were lower than previous years in very challenging market conditions with many of our clients reporting recruitment freezes during the recession. Despite this, we helped 26 clients, including 14 new NGO clients, find the finance staff they needed, helping them to work efficiently, effectively and accountably and recruitment fee income for 2009 was only 3.6% less than in 2008.

Performance indicators for 2009:

	2009	2008
Appointments made during the year	39	62
Total number of register members	380	380

Examples of appointments Mango made in 2009 include:

- Risk Management Consultant, **Wateraid**
- Financial Reporting Specialist, **UNICEF**, New York
- Head of Finance and Programme Support, **Save the Children**, Rwanda
- Internal Auditor, **Students Partnership Worldwide**, Sierra Leone, Tanzania and South Africa
- Finance volunteer, Students Partnership Worldwide, Nepal
- Programme Services Manager, **Liverpool School of Tropical Health**, Malawi
- Financial Controller, **Greenpeace**, The Netherlands
- Financial Controller, **GOAL**, Sudan
- Treasurer, **Kenya Education Partnerships**, UK

*"Sightsavers has worked with Mango in the past, both to recruit new employees and also to deliver financial management training to staff in Africa and Pakistan, so we knew we would get a professional level of service and a selection of suitable candidates to choose from. Their in-depth knowledge of the candidates and the strong personal relationships they have with them really assisted us in our recruitment and we are delighted to welcome Jackie to the finance team. Her experience of the charity sector will be a great asset and will help Sightsavers to continue to prepare timely and accurate financial information which is vital in this current economic climate".*

**Mark Thompson, Head of Finance, Sightsavers International**

We have made a strong start to 2010, handling requests for French speaking accountants to help support Save the Children, Plan International and other organisations who are committed to rebuilding Haiti in the longer term following the earthquake in January 2010. If you think you can help, visit our website for information on how to apply to join our register: [www.mango.org.uk/recruitment](http://www.mango.org.uk/recruitment).

#### **4.4 Consultancy service**

In 2009 we continued to provide consultancy services to clients. Consultancy income of £24,850 was significantly lower than that generated in 2008 of £71,159 (2007: £42,146; 2006: £23,642) and indeed that planned due to a variety of reasons. Demand was undoubtedly affected by the recession but there were also limited internal resources available to actively promote this service during the year.

We believe there is significant potential to grow the overall amount of consultancy work quite considerably with a more proactive approach and we have appointed Jonathan Orchard Limited to develop our Consultancy and Internal Audit Services and co-ordinate and manage Mango's highly experienced Associate Consultants.

#### **4.5 Publications**

Mango's comprehensive flagship Guide to Financial Management, freely available online ([www.mango.org.uk/guide](http://www.mango.org.uk/guide)) and on CD rom, is currently being updated with support from Barclays Bank plc and will be re-launched in September 2010. Over 15,000 people used our Guide in 2009, downloading over 110,000 resources from it, including over 8,000 copies of our Health Check (available in eight languages) and over 10,000 copies of the training

handbook (available in five languages). Click here [www.mango.org.uk/guide](http://www.mango.org.uk/guide) for free downloads!

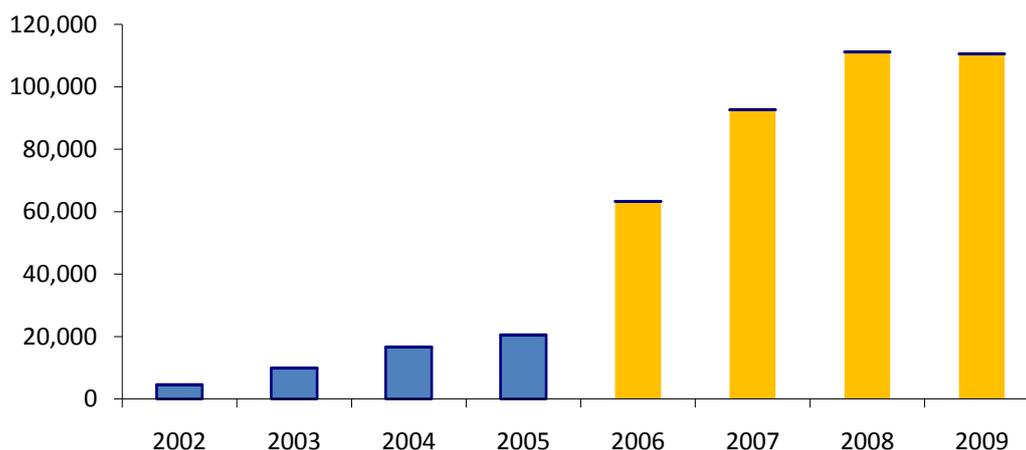
Performance indicators:

	2009	2008
Total number of documents downloaded	110,494	111,008
Copies of the Health Check downloaded	8,246	10,358
Copies of the Training Manual downloaded	10,449	8,686
Users registering on the Guide	4,787	6,256
Approximate copies of Guide distributed on CD	3,000	4,400

*"I am a director of an NGO based in Kenya catering for HIV/Aids orphans and most vulnerable children in the society and I have a degree in Finance and Accounting. I found your guide so useful that am using it to induct my finance and field staff."*

**Asuntah Mutero, Director, Partners Childcare International**

**No. of Downloads**



#### 4.6 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 2009, 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 2009 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.

Seminars during the year focused on strategic planning and resource allocation, managing in a downturn, anti-corruption measures and the role of the finance director, organisational structure, regionalisation and decentralisation. Leading external speakers again joined the group including Robert Chambers (Institute of Development Studies), Tina Wallace (Oxford University) and Ian Oakley-Smith and David Dignam (PricewaterhouseCoopers), Robert Barrington (Transparency International). We are grateful to PricewaterhouseCoopers for hosting these seminars and to Siham Bortcosh, a Mango Associate, for convening and facilitating the seminars.

Issues discussed at OSSIG meetings in 2009 have included financial systems selection, foreign exchange and cash management, fraud and corruption risk in overseas projects. Meetings were attended by 20 – 30 UK-based NGO finance staff, from NGOs like ActionAid, Action on Disability and Development, CAFOD, HelpAge International, Save the Children, WaterAid and many others. Members also use an email network to ask questions and find answers between meetings, on topics such as the appointment of overseas auditors and IT consultants, accounting and reporting software for NGOs, HR finance issues, treasury management and transfer of funds, travel policies including use of credit cards overseas. The meetings are free for CFDG members.

#### 4.7 Work on Accountability and Quality in the NGO Sector

During the year, we continued to contribute to debates on accountability and quality in the NGO sector, in line with Objective 4 of our Strategic Plan. This links directly to the overarching financial management question: how can NGOs – and donors – be confident that funds are used effectively? Our work is based on substantial academic and practical research into what it means to 'do development' well.

We continue to be an Associate member of HAP (the Humanitarian Accountability Partnership: [www.hapinternational.org](http://www.hapinternational.org)). HAP certifies whether NGOs have met its standards in accountability, and promotes good practice in downward accountability to beneficiaries. The HAP Standards are due to be revised in 2010 and Mango is contributing to the consultation, particularly around financial accountability.

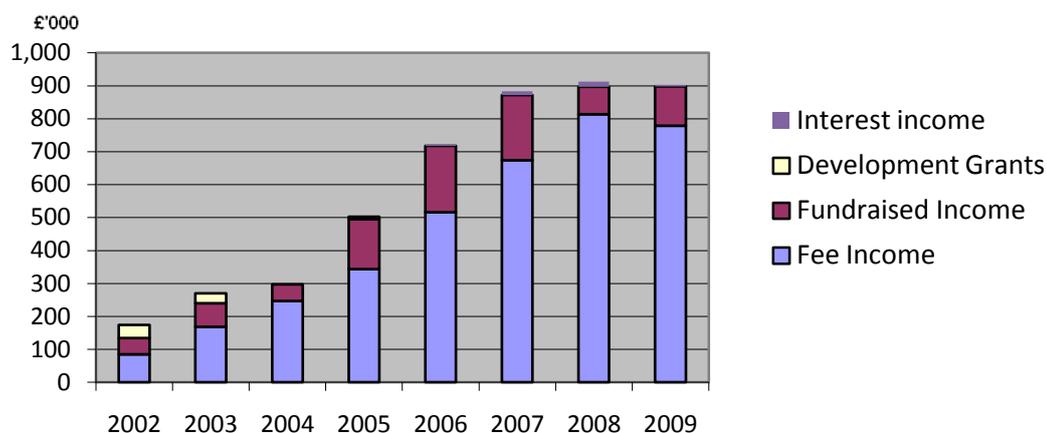
### 5. Financial review

Total income was as follows:

Source	2009		2008	
	£'000	%	£'000	%
Fee income	778	87%	813	89%
Non-fee income (including grants/donations)	120	13%	84	9%
Interest / other income	4		15	2%
<b>Total</b>	<b>902</b>		<b>912</b>	

Total income for 2009 of £901,955 was 91% of the total budgeted income for the year.

### Income analysis



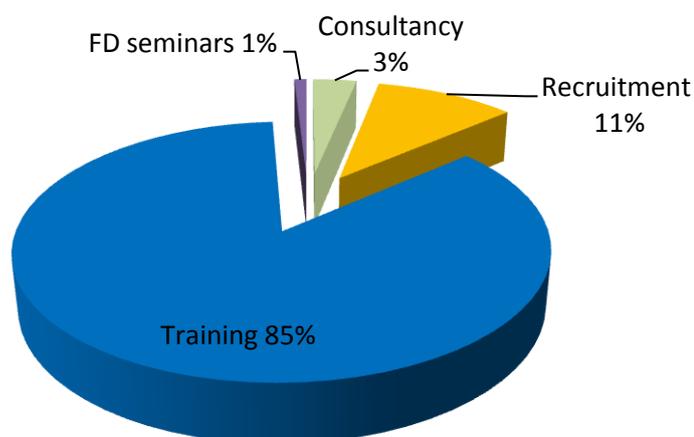
#### 5.1 Fee income

The following activities generated fee income:

Fee earning activity	2009 £'000	2008 £'000
Training	665	645
Recruitment	81	85
Consultancy	25	71
Networking	7	12
<b>Total</b>	<b>778</b>	<b>813</b>

All fees were paid to Mango by NGOs, in pursuit of our primary purpose (helping NGOs strengthen their financial management). Fee income for 2009 was 91% of budgeted fee income.

#### 2009 Fee analysis

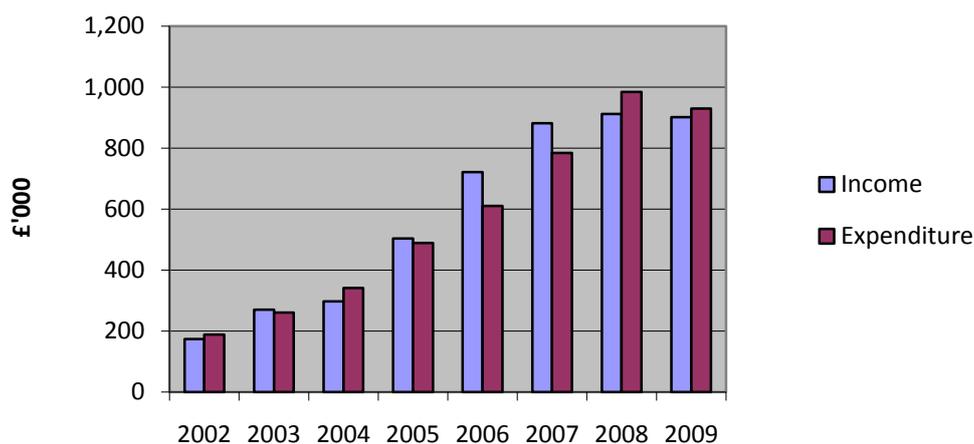


Our training service generated a net surplus of income over expenditure during the year. This is extremely encouraging, as it provides the basis of our financial sustainability and also demonstrates that our NGO clients value our services enough to pay full cost-recovery fees

for them. However, the margins are slim and this financial performance depends on the hard work and commitment of our staff.

The recruitment service fee income was slightly lower than 2008 where we had already started to experience a lower level of head office appointments in the recession and once again a deficit was realised in 2009. We have however made a good start to 2010 with both the number of placements and income generated.

### 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 Non-fee income

We generated £119,857 of non-fee income in 2009 of which 73% came from private sector firms with the remainder from individuals and trusts. We are thrilled to have secured the support of Barclays Bank plc for the bursary fund for 2009-2010 (see section 4.1 above) as well as updating Mango's Guide to Financial Management for NGOs (see section 4.5 above) that will potentially have a much wider impact - assisting Mango to promote best practice in financial management across the whole NGO sector, helping many more NGOs operate more efficiently, effectively and accountably.

We are also extremely grateful to the continued support of our major supporters during the year: PricewaterhouseCoopers (PwC), Ernst & Young, Deloitte, Littlejohn, the Association of Accounting Technicians, The Chartered Accountants Livery Company.

We also continue to benefit from a number of generous individuals through our patrons scheme and we particularly appreciate this support.

### 5.3 Reserves

During the year, we generated a loss of £48,180 which has been offset against unrestricted reserves brought forward at 1 January 2009. At 31 December 2009, our unrestricted reserves were £165,966 (2007: £214,146). This is equal to 1.92 months total expenditure compared to the 2009 budget. Restricted reserves were £20,280 at 31 December 2009.

The board has approved a policy of maintaining unrestricted reserves at the level needed to cover three months operating expenditure, in order to support future growth, respond to unexpected setbacks and cover any fluctuations in cash requirements. We plan to restore our reserves to this level in 2011.

### 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 2010 and beyond

We have been working to a three year strategic plan, covering 2007 – 2009 (available: [www.mango.org.uk/about/whatwedo.asp](http://www.mango.org.uk/about/whatwedo.asp)). The plan aimed to make our proven services available to many more NGOs around the world. We will continue to pursue the four objectives below in 2010 while we develop the next strategic plan for the period up to 2015.

We have continued to pursue its four objectives in 2009 as follows:

#### **Objective 1: Organic growth of Mango's existing services**

Despite economic conditions in 2009-10, demand for our training and recruitment services remains strong. We continue to facilitate the OSSIG networking events and are now actively seeking sponsorship for Mango's 2010-11 international NGO Finance Director seminar series. In 2010, seminars are planned on the role of finance staff at programme level, treasury management and ethical investment policies and practices, programme quality and

accountability and medium and long term financial planning, risk and financial management of grant funding and project accounting.

All of these services are developed in response to our clients' requirements and in line with our own experience. We are committed to maintaining the quality of our services and the financial viability of the organisation.

As noted above, we believe there is significant potential to grow the consultancy service quite considerably with a more proactive approach and we have appointed Jonathan Orchard Limited in 2010 to develop our Consultancy and Internal Audit Services and co-ordinate and manage Mango's highly experienced Associate Consultants.

**Objective 2: Significantly increase the numbers of NGO staff receiving Mango's training**

We are continuing 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 include continuing to provide materials development and licensing, and training trainers for InsideNGO, Save the Children, Agriterra and AusAid's Pacific Leadership Programme. We look forward to developing these and new relationships with other training providers in 2010.

We are looking forward to continuing to work with Barclays Bank plc to make our training courses more accessible to small NGOs in 2010. Barclays will be providing generous bursaries to assist small NGOs to attend Mango training courses in Africa, India and the Middle East.

**Objective 3: Substantially increase dissemination and use of Mango's publications**

We started to update Mango's Guide to Financial Management for NGOs in the last quarter of 2009. The new and improved Guide has a new simple structure and fresh look, improved search and navigation tools, new content, more free downloads, MacMillan's in-built dictionary, new links to related content and Mango's on-line community. We look forward with great excitement to re-launching the Guide in September 2010 and to promoting it to existing users of the Guide as well as many thousands of new potential users, helping to improve financial management, accountability, effectiveness and trust across the sector.

**Objective 4: Pilot new tools for monitoring and managing NGO performance**

We will continue to work with other NGOs to trial practical new tools for managing and reporting NGO performance and aim to make our tools and approaches available to other NGOs. We will continue to work closely with BOND's sector-wide Quality Working Group, and also expect to continue to engage with HAP.

## **Small Company Exemptions**

This report is prepared in accordance with the small companies regime under the Companies Act 2006. The accounts on pages 21 to 29 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

26 July 2010

**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: 26 July 2010

## **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 2009 which comprise the statement of financial activities, balance sheet and the related notes. The financial statements have been prepared in accordance with the accounting policies set out therein.

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 Auditors**

The trustees' (who are also directors of Management Accounting for Non-Governmental Organisations for the purposes of company law) responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view, 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 Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit or if certain disclosures of trustees' remuneration specified by law are not made.

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

## **Basis of Audit Opinion**

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

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

## **Opinion**

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 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Report is consistent with the accounts.

Robert Kirtland  
Senior Statutory Auditor

for and on behalf of Critchleys Accountants LLP  
Statutory Auditor  
Oxford

9 August 2010

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

**Statement of Financial Activities  
for the period ending 31 December 2009**

	Note	2009 Unrestricted £	2009 Restricted £	2009 Total £	2008 Total £
<b>Income</b>					
<i>Fee income</i>					
Training		664,306		664,306	644,952
Recruitment		81,243		81,243	84,319
Consultancy		24,850		24,850	71,159
Networking		7,375		7,375	12,050
<i>Non-fee income</i>					
	11				
<i>Voluntary income</i>					
Individuals		3,763	17,430	21,193	15,138
Trusts		2,000	5,000	7,000	5,000
Private sector firms		25,000	58,664	83,664	31,150
NGOs		0		0	15,770
Other		5,000		5,000	14,000
Sponsorship income		3,000		3,000	3,000
<i>Interest received</i>		4,324		4,324	11,202
<i>Other income</i>		0		0	4,207
<b>Total income</b>		<b>820,861</b>	<b>81,094</b>	<b>901,955</b>	<b>911,947</b>
<b>Expenditure</b>					
	3				
<i>Fundraising costs</i>	5	16,784		16,784	28,787
<i>Charitable activities</i>					
Training		573,400	56,094	629,494	596,548
Training Partnerships		95,066		95,066	73,983
Recruitment		126,550		126,550	135,882
Consultancy		29,554		29,554	65,194
Network facilitation		11,852		11,852	10,763
Publications		3,000	4,720	7,720	15,607
Standards		1,711		1,711	44,506
<i>Governance costs</i>	6	11,124		11,124	12,612
<b>Total expenditure</b>		<b>869,041</b>	<b>60,814</b>	<b>929,855</b>	<b>983,882</b>
<b>Operating surplus/(deficit)</b>	2	<b>(48,180)</b>	<b>20,280</b>	<b>(27,900)</b>	<b>(71,935)</b>
<b>Reconciliation of Funds</b>					
Total funds brought forward		214,146	0	214,146	286,081
Operating surplus/(deficit)		(48,180)	20,280	(27,900)	(71,935)
<b>Total funds carried forward</b>		<b>165,966</b>	<b>20,280</b>	<b>186,246</b>	<b>214,146</b>

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 2009**

	<i>Note</i>	2009 £	2009 £	2008 £	2008 £
Fixed Assets	12		4,263		9,543
<u>Current Assets</u>	13				
Debtors		34,139		77,499	
Accrued income		12,888		21,797	
Prepayments		4,496		9,789	
Other debtors		7,363		7,361	
Cash in hand and at bank		<u>270,829</u>		<u>188,945</u>	
					305,391
<u>Current Liabilities</u>	14				
Reclaimable expenses		655		399	
Trade creditors		22,255		8,414	
Accrued expenditure		70,889		47,167	
Training fees received in advance		<u>53,933</u>		<u>44,808</u>	
		<u>147,732</u>		<u>100,788</u>	
Net Current Assets			<u>181,983</u>		<u>204,603</u>
Net Assets			<u><b>186,246</b></u>		<u><b>214,146</b></u>
<u>Represented By:</u>	16				
Unrestricted funds b/f		214,146		239,668	
Movement on unrestricted funds		<u>(48,180)</u>		<u>(25,522)</u>	
Unrestricted funds c/f			165,966		214,146
Restricted funds b/f		0		46,413	
Movement on restricted funds		<u>20,280</u>		<u>(46,413)</u>	
Restricted funds c/f			<u>20,280</u>		<u>0</u>
			<u><b>186,246</b></u>		<u><b>214,146</b></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 23 to 29 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

Date: 26 July 2010

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

### Notes to the Accounts for the year ending 31 December 2009

#### 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.

##### 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.

##### 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.

## 2. Operating surplus/(deficit)

Operating surplus/(deficit) is stated after charging:

	2009	2008
		£
Depreciation of tangible assets	5,280	5,119
Auditor's remuneration	1,550	1,500

## 3. Expenditure

	Direct costs 2009	Overheads 2009	Total 2009	Total 2008
Charitable activities:				
Training	523,839	105,655	629,494	596,548
Training partnerships	74,281	20,785	95,066	73,983
Recruitment	88,445	38,105	126,550	135,882
Consultancy	29,554	0	29,554	65,194
Network facilitation	10,120	1,732	11,852	10,763
Publications	5,988	1,732	7,720	15,607
Standards	1,711	0	1,711	44,506
Fundraising costs:	13,320	3,464	16,784	28,787
Governance costs:	9,392	1,732	11,124	12,612
<b>Total</b>	<b>756,650</b>	<b>173,205</b>	<b>929,855</b>	<b>983,882</b>

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

## 4. Overheads

	2009	2008
	£	£
Administration expenses	81,461	84,323
Staff costs	91,137	96,920
Other income / expenditure	65	114
Overheads charged to restricted funds		(14,865)
<b>Total</b>	<b>172,663</b>	<b>166,492</b>

**5. Fundraising costs**

	2009 £	2008 £
Staff costs	12,894	19,876
Direct costs	426	2,406
Overhead allocation	3,464	6,505
<b>Total</b>	<b>16,784</b>	<b>28,787</b>

**6. Governance costs**

	2009 £	2008 £
Staff costs	7,480	8,185
Audit fees	1,550	1,500
Support costs	362	291
Overhead allocation	1,732	2,636
<b>Total</b>	<b>11,124</b>	<b>12,612</b>

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.

**7. Trustee remuneration, benefits and expenses**

The Trustees received no remuneration, benefits or reimbursement of expenses during the year (£2008: nil).

**8. Director and employees**

The number of full-time equivalent employees was 12.8 (2008: 14.1). There were 3 temporary members of staff in 2009 (2008: 4). The total number of employees at 31 December 2009 was 15 (including full-time and part-time employees) (2008: 17).

Employee emoluments were as follows:

	2009 £	2008 £
Staff salaries*	452,130	453,002
Social security costs	43,700	47,563
Pension contributions	17,795	25,959
<b>Total</b>	<b>513,625</b>	<b>526,524</b>

\* Includes £2,222 in respect of temporary agency staff in 2009 (2008: nil)

The highest salary paid during the year was £47,191.

Pension contributions in 2009 were lower than in 2008 due to the reduced number of staff in 2009 and the write back of accrued pension contributions in respect of leavers who had not previously joined the pension scheme.

**9. Leasing commitments**

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

	2009 Land & buildings £	2008 Land & buildings £
Expiring:		
Within 2 - 5 years	19,500	19,500

**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. We also benefit from an 80% reduction on our UK business rates on the premises we occupy for our charitable activities. Mango is partially exempt for VAT purposes and is only able to reclaim a proportion of VAT input tax. In 2009 Mango incurred £16,920 of irrecoverable VAT.

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

Received from	2009 £	2008 £
Ernst & Young	10,000	10,000
Deloitte	10,000	10,000
PricewaterhouseCoopers	5,000	10,000
Chartered Accountants Livery Co.	5,000	5,000
Chartered Accountants Trustees		4,000
ARK		2,000
Littlejohn	3,000	3,000
Donations from individuals	3,763	4,713
Donations from trusts	2,000	5,000
<b>Total</b>	<b>38,763</b>	<b>53,713</b>

During the year, Littlejohn sponsored our widely used "Guide to Financial Management for NGOs", at a cost of £3,000. 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](http://www.mango.org.uk/guide) for details.

**Restricted grants**

Received from	2009 £	2008 £
Barclays Bank plc	58,664	0
Association of Accounting Technicians Educational Trust	5,000	5,000
Bursaries funded by anonymous donor	17,430	10,425
Christian Aid		2,270
Concern		11,500
PricewaterhouseCoopers		1,150
<b>Total</b>	<b>81,094</b>	<b>30,345</b>

Barclays Bank plc has provided funding of £20,000 to enable us to update Mango's Guide to Financial Management for NGOs for re-launch in September 2010. This will assist Mango to promote best practice in financial management across the whole NGO sector, helping many more NGOs operate more efficiently, effectively and accountably. The Association of Accounting Technicians Educational Trust is also helping us to promote Mango's Guide, particularly in South Africa.

Barclays Bank plc has also provided generous bursaries totalling £29,407 allowing 64 local NGO staff to attend Mango's *Practical Financial Management for NGOs – Getting the Basics Right (FM1)* courses in 2009 in Botswana, Egypt, Ghana, Kenya, Uganda, Zambia and India as part of its community investment programme. Further funding of £20,537 has been provided to allow local NGO staff to attend Mango's *Strategic Financial Management for NGOs – Managing for Financial Sustainability (FM2)* in 2010 in Botswana, Ghana, Kenya, UAE, Uganda, Zambia and India which has been included within training fees received in advance (see note 14). In addition funding of £4,257 was provided to Mango to support the administration of the bursaries in 2009-10 together with £5,000 to meet the cost of printing 1,000 manuals for all these courses in 2009 together with those for Mango's *Grant Management Essentials: How to Keep Your Donors happy (FM8)*.

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.

The grant from Christian Aid in 2008 was the final instalment for our joint Training Partnership work in Sri Lanka in 2007-2008.

The grant from Concern in 2007- 2008 was for our joint research on managing and reporting performance.

PwC's grant in 2008 was to support Mango in handling the secondments of PwC staff.

**12. Fixed Assets**

	Office Furniture	Computers	Projectors	Software	Total
	£	£	£	£	£
<b>Cost</b>					
As at 1 <sup>st</sup> January 2009	8,570	17,383	4,598	10,020	40,571
Additions in year	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 <sup>st</sup> December 2009	8,570	17,383	4,598	10,020	40,571
<b>Depreciation</b>					
As at 1 <sup>st</sup> January 2009	4,847	15,959	4,598	5,624	31,028
Charge for year	1,210	730	-	3,340	5,280
Disposals	-	-	-	-	-
As at 31 <sup>st</sup> December 2009	6,057	16,689	4,598	8,964	36,308
<b>Net book value</b>					
As at 31 <sup>st</sup> December 2008	3,723	1,424	0	4,396	9,543
As at 31 <sup>st</sup> December 2009	2,513	694	0	1,056	4,263

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**

	2009 £	2008 £
Trade debtors	34,139	77,499
Accrued income	12,888	21,797
Rent deposit	6,500	6,500
Prepayments	4,496	9,789
Employee advances	863	861
<b>Total</b>	<b>58,886</b>	<b>116,446</b>

**14. Creditors: Amounts falling due within one year**

	2009 £	2008 £
Reclaimable expenses	655	399
Trade creditors	22,255	8,414
Accrued expenditure	64,478	39,667
Accrued pension contributions	6,411	7,500
Training fees received in advance	53,933	44,808
<b>Total</b>	<b>147,732</b>	<b>100,788</b>

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 2009 there were 6 members.

### 16. Balances on general and restricted funds

	At 1/1/09 £	Income £	Expenditure £	Transfers £	At 31/12/09 £
General funds	214,146	820,861	869,041		165,966
Training: bursaries, course handbooks etc	0	56,094	56,094	-	-
Publications	0	25,000	4,720		20,280
<b>Total</b>	<b>214,146</b>	<b>901,955</b>	<b>929,855</b>	<b>-</b>	<b>186,246</b>

### 17. Analysis of net assets by funds

	Restricted Fund £	Unrestricted Funds £	Total £
Fixed assets	-	4,263	<b>4,263</b>
Net current assets	20,280	161,703	<b>181,983</b>
<b>Total</b>	<b>20,280</b>	<b>165,966</b>	<b>186,246</b>