



The Global Fund for Forgotten People, Order of Malta
Annual Report and Financial Statements
for the year ended 31 December 2022



Charity Registration No. 1148427

Company Registration No. 08107614 (England and Wales)

Legal and Administrative Information

Trustees	R A Fitzalan Howard Esq. Baron A G von Boeselager Count M L W F K Henckel von Donnersmarck Mrs L S-C Simpson Prince D L G J M de La Rochefoucauld-Montbel
Chief executive	J S Simpson Esq. (from March 2022)
Charity number	1148427
Company number	08107614
Registered office	30 Upper High Street Thame Oxfordshire OX9 3EZ
Correspondence address	Studio 1 240 Portobello Road London W11 1LL
Auditor	Richardsons 30 Upper High Street Thame Oxfordshire OX9 3EZ
Bankers	C. Hoare & Co. 37 Fleet Street London EC4P 4DQ
Solicitors	Stone King LLP 91 Charterhouse Street London EC1M 6HR
Investment advisors	Cazenove Capital Management Ltd. 1 London Wall Place London EC2Y 5AU

	Page
Trustees' report	4-8
Statement of trustees' responsibilities	9
Independent auditor's report	10-12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 27

The Global Fund for Forgotten People, Order of Malta

Trustees' Report (including Directors' Report)

For the year ended 31 December 2022



The trustees present their report and financial statements for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Fund's Memorandum and Articles, the Companies Act 2006, the Charities Act 2022 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The objects of the charity are such purposes for the benefit of the public as shall be exclusively charitable as the trustees from time to time may determine, to include in particular (but without prejudice to the generality of the foregoing the following):

- The prevention or relief of poverty;
- The advancement of education;
- The advancement of health or the saving of lives;
- The relief of those in need because of youth, age, ill health, disability, financial hardship or other disadvantage;
- Purposes incidental and ancillary to these objects.

Our projects care for the people who need it most: the persecuted, the elderly, the homeless, abandoned and disabled children, refugees, people with diseases that most of us think have been cured long ago. These people do not grab the headlines and may not be priorities for government institutions. They have no recourse, no support network, and no resources. They are the Forgotten.

The Fund raises money from private donors and charitable foundations and uses these funds to support projects that benefit the most disadvantaged in society through its grant giving programme. Since inception, we have made over 400 grants in support of forgotten people (609 including grants made by the Fund's US partner entity). The Fund promotes best practice and knowledge-sharing between Order of Malta projects around the world and raises awareness of the challenges facing poor and marginalised communities. We provide funding to develop new areas of work, and we support existing projects to increase their scale and access other sources of funding.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Fund should undertake.

The trustees confirm that they have had regard to the Charity Commission's published guidance on public benefit. The trustees awarded grants worth USD 3,086,964 (2021: USD 2,821,080) during the year and consider that the Fund fully meets the public benefit requirements for the Charities Act 2022. Grants are made only to registered charities, charities with officially recognised charitable status in their country or organisations with exempt / excepted status, which themselves must meet a public benefit requirement.

Grant making

The Fund leverages the network and expertise of the Order of Malta worldwide to achieve its charitable purpose to support those whom society has forgotten. We rely on the local knowledge of frontline Order of Malta staff and volunteers to identify the most vulnerable. Through these trusted local partners, we can deliver support where it is most needed and with low overheads.

The Global Fund for Forgotten People, Order of Malta

Trustees' Report (continued) (including Directors' Report)



For the year ended 31 December 2022

Grant applications can be made twice a year to the Fund for consideration, are subject to our due diligence process, and are submitted to the board of trustees for consideration and approval at the twice-yearly trustees' meeting. Some funding is also available for emergency off-cycle grants, which are subject to the same level of scrutiny and approval.

In all cases, requests for funding must fit our funding criteria and be submitted through our robust and transparent grants approval process. This grants process is publicly available on our website (www.forgottenpeople.org).

All payments to overseas projects are made only to trusted partners. The use of funds is monitored via our annual reporting process, which includes a record of how all funds were spent. We carry out periodic monitoring visits to partner projects to assess the quality of the work delivered and receive regular feedback from the governing bodies of the Order of Malta regarding the work in each country.

Achievements and performance

In 2022, the Fund awarded 53 grants serving some of the most marginalised people across 28 countries. The projects we fund are often life-changing for those who encounter them. In 2022, responding to the unexpected humanitarian crisis caused by the war in Ukraine was a key focus. With strong existing partnerships in the region, we were able to act swiftly in ensuring that vital care could reach those most in need. Our grants contributed to the purchase of vehicles and logistical equipment in Ukraine and Romania to facilitate the transport of staff and aid supplies, as well as to holistic programmes for refugees in Latvia, Lithuania and Poland. A flagship grant of EUR 95,000 (to which the Fund's US partner entity contributed a further EUR 155,000) in co-funding allowed our partner in Germany to leverage EUR 5m of German government funding for a major crisis response programme across the region.

Alongside their heroic response to the war, our partners continue to serve the homeless, elderly, disabled and marginalised whose needs are as acute as ever. Grants from the Fund have supported this existing portfolio of work including ensuring the continuation of a therapy programme for disabled children and a community centre for Roma people in southern Ukraine.

The impact of the Ukraine crisis is not only felt by those countries it borders, but around the world, and especially in already vulnerable economies. As increasing numbers of people are pushed into poverty, support from the Fund in 2022 helped to establish 17 new projects to reach the most forgotten in society. These include a day care centre for disabled children in Morocco, a programme to support child mental health through music in Lebanon, and the purchase of a new ambulance to serve remote communities in South Africa.

Thanks to the generosity of our donors, we ensure that these people do not remain forgotten and are able to access the care and help they so desperately need. We are immensely grateful for all the support we receive to make this possible.

In addition to the significant impact achieved by the flagship Ukraine grant mentioned above, Order of Malta works awarded grants globally in 2022 are supporting:

- 7,200 vulnerable people to access a hot meal and companionship through soup kitchens and outreach services
- 19,000 women and new-borns to access basic and urgent healthcare
- 12,309 children from marginalised communities to receive the education and healthcare they need to build a better future
- 8,520 refugees to access food, healthcare and integration services as they build a new life in a new country.

The Global Fund for Forgotten People, Order of Malta

Trustees' Report (continued) (including Directors' Report)



For the year ended 31 December 2022

Financial review

Income in 2022 increased from 2021, as a direct result of generous donations in support of the Order's work in response to the crisis in Ukraine. While this brought new donors to the Fund, and meant that overall fundraising targets were exceeded, some donors – who might otherwise have given unrestricted funds – opted to restrict their donation to Ukraine-related work. As in previous years, ten percent of restricted donations is generally retained by the Fund as a contribution to running costs and the unrestricted grants programme.

The Fund continues to receive the bulk of its support from a small number of committed donors, and continues to work to expand the reach of its fundraising via its network of trustees and senior supporters, primarily led by the volunteer Chief Executive.

The Fund's charitable expenditure profile – in particular grant-making – matched that of its income. Grants of USD 398k were made to projects working with those affected by the Ukraine crisis, both within Ukraine and in neighbouring countries. Other grant programmes followed a comparable pattern to 2021, although the timing of a generous donation in support of the vulnerable elderly meant that expenditure in this fund was higher than anticipated, and logistical delays meant the Medicine for Lebanon programme incurred lower expenditure than was planned.

Most of the Fund's operational expenses (staff and office costs) are incurred in GBP, although the Fund's reference currency (and that of much of its income and grants) is USD. Due to the fall in value of GBP against the USD during the year, these expenses appear somewhat under budget, although the underlying costs are in fact close to the budget and prior year figures. This, coupled with increased income due to Ukraine, means that overhead costs have fallen as a proportion of income and are well below the 10% target. However, poor market conditions and currency movements mean that the Fund's investment portfolio (denominated in EUR) did not perform well in 2022, particularly when presented in USD terms.

Reserves policy

A revised policy on reserves was adopted by the trustees of The Global Fund for Forgotten People, Order of Malta on 6 November 2022.

The trustees have set a reserves policy which requires that reserves be maintained between the US and UK charitable entities, in a readily accessible form, at a level which ensures that the Fund's grant-making and contractual commitments could continue during a period of unforeseen difficulty. The amount to be held in unrestricted reserves is the equivalent to six months' worth of unrestricted grant making and support costs, currently estimated at USD 0.5m. Free reserve levels on 31 December 2022 were approximately USD 0.82m (USD 1.13m including the US partner entity).

The calculation of the required level of reserves is reviewed annually against the organisation's planning, budget and forecast cycle and in the context of running costs and progress with the grant making and fundraising.

The permanent endowment is invested in accordance with the Fund's investment policy, a revised version of which was adopted by the trustees on 6 November 2022. Investment of the permanent endowment was made in November 2013 and has remained unchanged. The objective of the policy is to manage the portfolio on a "total return" basis: to maintain a minimum capital value of EUR 1.2m, reflecting the original endowment, and to make any surplus on this available to support the ongoing activities of the Fund. As the Fund is expected to exist in perpetuity, the investment approach adopts a long-term investment time horizon. Some volatility on the capital value of the endowment is tolerated, and the trustees are charged with agreeing a suitable asset allocation strategy with the investment manager, Cazenove Capital Management Ltd. Permitted asset classes include cash, bonds, equities, property, hedge funds, structured products and commodities, in any country worldwide.

The Global Fund for Forgotten People, Order of Malta

Trustees' Report (continued) (including Directors' Report)



For the year ended 31 December 2022

Risk approach

The trustees have assessed the major risks to which the Fund is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees have a duty to identify and review the risks to which the Fund is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Fund has been established with care to ensure access to the requisite legal, financial and charitable expertise with a particular focus on fundraising and grant making. The trustees confirm that they have identified the major risks to which the Fund is exposed and that the systems are in place or being developed to manage those risks.

The management team has worked with the trustees and will continue to do so to identify and monitor risks to the Fund, including:

- Banking and overseas payments
- Currency fluctuations
- Staff, donor, trustee and grantee activities
- Reputational damage to the Order of Malta impacting the Fund's fundraising and grant giving activities
- Fraud
- Conflicts of interest
- Over-reliance on the voluntary Chief Executive
- Relationships with the centre of the Order of Malta and other entities of the Order

The risks are categorised by stakeholder group (donors, board members and management, and grantees). Measures are in place to mitigate these ongoing risks where possible, and these are recorded in a risk register which notes their likelihood and materiality.

Future developments

The support of projects in Ukraine and the surrounding region, particularly in Latvia, Lithuania, Poland and Romania, constituted a significant part of the Fund's work in 2022. In 2023, as the media spotlight on Ukraine begins to fade, we will make further grants to projects in Ukraine and surrounding countries, both to support the longer-term response to the war, and to enable existing projects – such as those working with the vulnerable elderly – to continue.

The Roma people – perhaps Europe's most forgotten minority – have long been a focus for the Order of Malta's work; the Fund has been pleased to support several projects working with Roma communities in recent years. In late 2022, the Fund commissioned a report showcasing the Order's work with the Roma people. 2023 will see further grants to support this area of work, notably to support the reconstruction of a community centre in Romania, and the running of centres in Albania and Ukraine.

On 3 September 2022, a new interim Sovereign Council of the Order of Malta was appointed, most of the members of which were confirmed as permanent in January 2023. Unfortunately, the new Sovereign Council has appeared less willing to engage positively with the Fund than its predecessor, including withholding grant funds that the Fund would normally draw down according to an agreed schedule. The trustees plan to continue their attempts at constructive engagement and dialogue with the Sovereign Council in 2023.

Structure, governance and management

The Global Fund for Forgotten People, Order of Malta is a registered charity and a charitable company limited by guarantee not having a share capital. The charity's governing document is its Memorandum and Articles dated 15 June 2012, as amended 28 March 2023.

The trustees, who are also directors and members of the company for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R A Fitzalan Howard Esq.
Baron A G von Boeselager

The Global Fund for Forgotten People, Order of Malta

Trustees' Report (continued) (including Directors' Report)



For the year ended 31 December 2022

Count M L W F K Henckel von Donnersmarck
Mrs L S-C Simpson
Prince D L G J M de La Rochefoucauld-Montbel

Recruitment and appointment of new trustees

The Fund has five trustees, each of whom has extensive experience in both the voluntary sector and the charitable activities of the Order of Malta whose projects are the principal beneficiaries of any grant making and capacity building undertaken by the Fund. Although not a requirement of the governing document, all current trustees are themselves members of the Order of Malta and, in addition to their experience of the charitable work, have been instrumental in making introductions to donors for the charity's fundraising activity. The trustees are appointed for an indefinite term.

To date, the number of trustees has been kept low to ensure efficient decision making and direction for the management team. The selection of new trustees is carried out by a dedicated sub-committee, which assesses the skills needed by the Fund, and recommends suitable candidates to the main board for approval, in accordance with the articles. Prospective new trustees are given an induction by the Fund's senior management, covering the Fund's fundraising and grant-making activities, internal processes, and the obligations and duties of trustees in English law. They are provided with written information on the Fund, including its governing document, policies and financial information, and Charity Commission guidance "The Essential Trustee (CC3)".

Criteria for trustees

- Knowledge and experience of the voluntary sector
- Membership and/or knowledge of the Order of Malta
- At least one trustee must be a British Citizen and/or resident in the UK

Day-to-day management of the Fund is delegated to the Chief Executive, a voluntary role. Justin Simpson took up this position in March 2022, the role previously having been fulfilled by one of the trustees. The Chief Executive is supported by a Chief Philanthropy Officer (post vacant since Christmas 2022), Chief Financial Officer, Communications Officer, Grants Manager, Fundraising & Support Officer, Global Youth Coordinator and Finance Administrator. The management team reports formally to the board of trustees via bi-annual trustee meetings and on an ad-hoc basis as required.

Trustees seek advice as required from professional consultants, including lawyers, auditors, and investment managers. The trustees are all experienced and do not necessarily receive ongoing training. The trustees are not remunerated.

Organisational structure

The Global Fund for Forgotten People ("the Fund") was set up by the Order of Malta as a global charitable fund to bring together support for the Order of Malta's existing charitable works, in aid of people that have been forgotten and left behind. It operates independently of the Order of Malta but collaborates to provide funding to Order of Malta projects across the globe.

The Fund also works closely with the Global Fund for Forgotten People, Order of Malta Inc., a US501(c)(3) which also raises funds for and makes grants to projects that work with people who would otherwise be forgotten. The two organisations are legally separate and independent, but benefit from shared objectives, processes and administrative functions.

Auditor

The auditors, Richardsons, will be proposed for re-appointment at the forthcoming Annual General Meeting. The Trustees' Report was approved by the board of trustees.

R A Fitzalan Howard Esq.
Chairman of Trustees
1 May 2023

Statement of Trustees' Responsibilities

For the year ended 31 December 2022

The trustees, who are also the directors of The Global Fund for Forgotten People, Order of Malta for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Fund and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Fund will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Fund and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Global Fund for Forgotten People, Order of Malta



Independent Auditor's Report

For the year ended 31 December 2022

Opinion

We have audited the accounts of The Global Fund for Forgotten People, Order of Malta (The 'Fund') for the year ended 31 December 2022 which comprise the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 1.2 in the financial statements, which indicates that the charitable company's ability to continue as a going concern is reliant upon support from the Order of Malta. Whilst the trustees are in talks with the Order, the trustees are unable to predict the funding position with regards to the going concern basis of accounting and its related disclosures.

As stated in note 1.2, these events or conditions, indicate that a material uncertainty exists that may cast doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report (continued)

For the year ended 31 December 2022

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the Fund for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of the company's staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

The Global Fund for Forgotten People, Order of Malta

Independent Auditor's Report (continued)



For the year ended 31 December 2022

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jemima King (Senior Statutory Auditor)
for and on behalf of Richardsons Chartered Accountants
Statutory Auditor

1 May 2023
30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

Richardsons is eligible for appointment as auditor of the Fund by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Global Fund for Forgotten People, Order of Malta



Statement of Financial Activities Including income and expenditure account

For the year ended 31 December 2022

	Notes	Unrestricted funds 2022 \$	Restricted funds 2022 \$	Endowment funds 2022 \$	Total 2022 \$	Total 2021 \$
<u>Income and endowments from:</u>						
Donations and legacies	3	656,554	2,739,461	-	3,396,015	3,172,624
Investments	4	33,222	-	-	33,222	17,981
Other income	5	75,919	-	-	75,919	33,971
Total income		765,695	2,739,461	-	3,505,156	3,224,576
<u>Expenditure on:</u>						
Raising funds	6	146,321	-	-	146,321	116,563
Charitable activities	7	998,892	2,688,906	-	3,687,798	3,265,813
Total resources expended		1,145,213	2,688,906	-	3,834,119	3,382,376
Net gains/(losses) on investments	13	(445,536)	-	-	(445,536)	35,359
Net (outgoing)/incoming resources before transfers		(825,054)	50,555	-	(774,499)	(122,441)
Gross transfers between funds		77,892	-	(77,892)	-	-
Net movement in funds		(747,162)	50,555	(77,892)	(774,499)	(122,441)
Fund balances at 1 January 2022		1,687,089	469,032	1,358,880	3,515,001	3,637,442
Fund balances at 31 December 2022		939,927	519,587	1,280,988	2,740,502	3,515,001

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

The Global Fund for Forgotten People, Order of Malta

Balance Sheet



For the year ended 31 December 2022

			2022	2021
	Notes	\$	\$	\$
Fixed assets				
Tangible assets	14		3,180	3,467
Investments	15		1,543,742	1,859,424
			<u>1,546,922</u>	<u>1,862,891</u>
Current assets				
Debtors	17	320,088	48,943	
Cash at bank and in hand		2,102,397	2,930,795	
		<u>2,422,485</u>	<u>2,979,738</u>	
Creditors: amounts falling due within one year	18	(1,228,905)	(1,327,628)	
Net current assets			<u>1,193,580</u>	<u>1,652,110</u>
Total assets less current liabilities			<u>2,740,502</u>	<u>3,515,001</u>
Capital funds				
Endowment funds - general			1,280,988	1,358,880
Income funds				
Restricted funds	19		519,587	469,032
Unrestricted funds			939,927	1,687,089
			<u>2,740,502</u>	<u>3,515,001</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the trustees on 1 May 2023.

Richard Fitzalan Howard

R A Fitzalan Howard Esq.
Trustee

Company Registration No. 08107614

The Global Fund for Forgotten People, Order of Malta

Statement of Cashflows

For the year ended 31 December 2022



		2022	2021
	Notes	\$	\$
Cash flows from operating activities			
Cash absorbed by operations	23	(841,764)	(463,847)
Investing activities			
Purchase of tangible fixed assets		(1,629)	(2,304)
Proceeds from disposal of tangible fixed assets		185	-
Interest received		14,810	963
Net cash generated from/(used in) investing activities		13,366	(1,341)
Net cash used in financing activities		-	-
Net decrease in cash and cash equivalents		(828,398)	(465,188)
Cash and cash equivalents at beginning of year		2,930,795	3,395,983
Cash and cash equivalents at end of year		2,102,397	2,930,795

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements



For the year ended 31 December 2022

1 Accounting policies

Charity information

The Global Fund for Forgotten People, Order of Malta is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Upper High Street, Thame, Oxfordshire, OX9 3EZ.

1.1 Accounting convention

The accounts have been prepared in accordance with the Fund's Memorandum and Articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Fund is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in US dollars, which is the functional currency of the Fund. Monetary amounts in these financial statements are rounded to the nearest dollar.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have been in discussions with the Order of Malta with regards to the charity's future but have been unable to gain confirmed future support. This creates a material uncertainty that may cast significant doubt on the charitable company's ability to continue as a going concern, as a minimum, for a period of at least 12 months from the date of approval of these financial statements. At the time of approving the financial statements, however, the trustees believe that the charity's reserves policy is met, and that the charity has sufficient resources to continue its operations. These financial statements are therefore prepared using the going concern basis of accounting.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Fund. The income is available to support the ongoing activities of the Fund.

1.4 Incoming resources

Income is recognised when the Fund is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Fund has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Fund has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1 Accounting policies

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

In 2022, support costs were allocated out in the following proportions:

- 24% Costs generating voluntary income
- 24% Governance
- 52% Charitable activities

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a contingent liability, but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% Straight line basis
-----------	-------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Fund reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Notes to the Financial Statements (continued)

For the year ended 31 December 2022

1.10 Financial instruments

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

Financial instruments are recognised in the Fund's balance sheet when the Fund becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Fund's contractual obligations expire or are discharged or cancelled.

1.11 Provisions

Provisions are recognised when the Fund has a legal or constructive present obligation as a result of a past event, it is probable that the Fund will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Fund is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)



For the year ended 31 December 2022

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the Fund's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	\$	\$	\$	\$
Donations and gifts	656,554	2,739,461	3,396,015	3,172,624
For the year ended 31 December 2021	617,786	2,554,838		3,172,624

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	\$	\$
Investment income	18,412	17,018
Interest receivable	14,810	963
	<u>33,222</u>	<u>17,981</u>

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)

For the year ended 31 December 2022



5 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	\$	\$
Amounts recharged to other entities	75,919	33,971

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	\$	\$
<u>Fundraising and publicity</u>		
Support costs	132,602	101,205
<u>Investment management</u>	13,719	15,358
	146,321	116,563

7 Charitable activities

	2022	2021
	\$	\$
Grant funding of activities (see note 8)	3,232,805	2,821,079
Share of support costs (see note 9)	302,580	272,215
Share of governance costs (see note 9)	152,413	172,519
	3,687,798	3,265,813
Analysis by fund		
Unrestricted funds	998,892	583,325
Restricted funds	2,688,906	2,682,488
	3,687,798	3,265,813

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)

For the year ended 31 December 2022



8 Grants payable

	2022	2021
	\$	\$
Lebanese Association/Medicines for Lebanon	224,663	141,400
Romanian Relief Service	520,844	257,479
Italian Association	-	39,363
Albanian Relief Service	303,297	242,578
Brazilian Association	65,900	112,693
Colombian Association	-	42,558
Lithuanian Relief Service	200,665	159,779
Holy Family Hospital, Palestine	20,976	-
Latvian Relief Service	125,270	-
The Nehemiah Project (BASMOM)	71,820	91,107
South African Relief Service	54,168	-
French Association	1,006,108	1,031,390
Malteser International Germany	100,343	-
Mexican Association	77,590	120,388
Slovakian Relief Service	-	142,375
Polish Association	59,383	83,008
Portuguese Association	-	84,008
Embassy to Morocco	25,000	-
British Association (BASMOM)	25,685	-
Ukrainian Relief Service	137,480	-
Forgotten Children (see note 17)	145,840	-
Other	67,317	272,407
	<hr/> 3,232,805	<hr/> 2,821,079

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)



For the year ended 31 December 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	\$	\$	\$	\$	\$	\$
Staff costs	245,141	77,413	322,554	240,254	96,992	337,246
Depreciation	1,731	-	1,731	1,842	-	1,842
Exchange (gains)/ losses	(2,716)	-	(2,716)	2,022	-	2,022
Communications	7,129	2,251	9,380	1,041	421	1,462
Travel	21,663	6,841	28,504	10,980	4,433	15,413
Sundry expenses	2,394	756	3,150	4,308	1,739	6,047
Office costs	86,402	27,285	113,687	89,313	36,057	125,307
Bad debts	16,260	-	16,260	-	-	-
US recharge	57,178	18,056	75,234	23,660	9,552	33,212
Audit fees	-	11,614	11,614	-	9,914	9,914
Accountancy	-	3,278	2,278	-	2,751	2,751
Legal and professional	-	4,919	4,919	-	10,660	10,660
	435,182	152,413	587,595	373,420	172,519	545,939
Analysed between:						
Fundraising	132,602	-	132,602	101,205	-	101,205
Charitable activities	302,580	152,413	454,993	272,215	172,519	444,734
	435,182	152,413	587,595	373,420	172,519	545,939

10 Auditor's remuneration

Fees payable to the Fund's auditor and associates:	2022	2021
	\$	\$
Audit of the Fund's annual accounts	11,614	9,914
Non-audit services		
All other non-audit services	3,278	2,751

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year. (2020- none of the trustees received any remuneration or reimbursed expenses).

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)



For the year ended 31 December 2022

12 Employees

Number of employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
7	6

Employment costs

	2022 \$	2021 \$
Wages and salaries	288,762	300,010
Social security costs	26,833	29,780
Other pension costs	6,959	7,456
	<u>322,554</u>	<u>337,246</u>

Justin Simpson, Chief Executive (since March 2022), Thomas Acland, Chief Financial Officer, and Emily van Lier, Chief Philanthropy Officer (until late December 2022) were the Fund's key management personnel in 2022. The Chief Executive is an unremunerated, voluntary role.

The total employment benefits of the other key management personnel were \$145,141 (2021: \$156,742). In 2022, one employee received total employee benefits in the band GBP 60,000 – 70,000 (2021: one employee received total employee benefits in the band GBP 60,000 – 70,000).

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022 \$	2021 \$
Revaluation of investments	(549,635)	19,506
Gain/(loss) on sale of investments	104,099	15,853
	<u>(445,536)</u>	<u>35,359</u>

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)

For the year ended 31 December 2022



14 Tangible fixed assets

	Computers \$
Cost	
At 1 January 2022	8,590
Additions	1,629
Disposals	(1,548)
At 31 December 2022	8,671
Depreciation and impairment	
At 1 January 2022	5,123
Depreciation charged in the year	1,731
Eliminated in respect of disposals	(1,363)
At 31 December 2022	5,491
Carrying amount	
At 31 December 2022	3,180
At 31 December 2021	3,467

15 Fixed asset investments

	Listed investments \$
Cost or valuation	
At 1 January 2022	1,859,424
Additions	518,677
Valuation changes	(314,323)
Loss on foreign exchange	(86,641)
Net income	198,156
Disposals	(631,551)
At 31 December 2022	1,543,742
Carrying amount	
At 31 December 2022	1,543,742
At 31 December 2021	1,859,424

16 Financial instruments

	2022 \$	2021 \$
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,543,742	1,859,424

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)



For the year ended 31 December 2022

17 Debtors

	2022	2021
	\$	\$
Amounts falling due within one year:		
Pledged donations receivable	342,004	13,532
Bad debt provisions	(162,044)	-
Other debtors	123,996	27,913
Prepayments and accrued income	16,092	7,498
	<u>320,088</u>	<u>48,943</u>

The bad debt provision relates to a drawdown of a restricted donation, requested by the Fund in October 2022, but which has not yet been received. This donation was made to the Grand Magistry (the central body of the Order of Malta), with the express restriction that it should be drawn down by the Fund over several years for projects working with "Forgotten Children". However, following a change of government at the Grand Magistry, these funds had not been received at the reporting date, in contradiction to donor wishes and the practice for eight previous draw-downs. The trustees therefore consider it prudent to recognise a bad debt provision against unrestricted resources.

18 Creditors: amounts falling due within one year

	2022	2021
	\$	\$
Other taxation and social security	10,760	11,212
Trade creditors	-	2,807
Other creditors	1,198,405	1,294,886
Accruals and deferred income	19,740	18,723
	<u>1,228,905</u>	<u>1,327,628</u>

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	2021 Movement in funds				
	Balance at 1 January 2021	Incoming resources	Resources expended	Adjustment	Balance at 31 December 2021
	\$	\$	\$	\$	\$
Prison ministry fund	406,842	-	(190,222)	-	216,620
Social and humanitarian	15,141	1,374,126	(1,389,072)	-	195
Elderly people fund	173,305	360,000	(410,512)	-	122,793
Forgotten children fund	-	559,088	(599,088)	-	-
Cuba	1,394	-	(1,394)	-	-
Medicines for Lebanon	-	104,087	-	-	104,087
Other restricted funds	-	116,671	(110,464)	-	6,207
Vision 2050	-	40,866	(21,736)	-	19,130
	<u>596,628</u>	<u>2,554,838</u>	<u>(2,682,488)</u>	<u>-</u>	<u>469,032</u>

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)



For the year ended 31 December 2022

	2022 Movement in funds				
	Balance at 1 January 2022	Incoming resources	Resources expended	Adjustment	Balance at 31 December 2022
	\$	\$	\$	\$	\$
Prison ministry fund	216,620	-	(71,820)	99,156	243,956
Social and humanitarian	185	1,373,203	(1,373,398)	-	-
Elderly people fund	122,739	297,000	(419,739)	-	-
Forgotten children fund	-	389,427	(389,427)	-	-
Medicines for Lebanon	104,087	44,368	(20,046)	-	128,409
Other restricted funds	6,207	61,692	(50,744)	-	17,155
Vision 2050	19,130	125,309	(64,454)	-	79,985
Ukraine	-	448,462	(398,379)	-	50,083
	469,032	2,739,461	(2,788,061)	99,156	519,587

The 2021 accounts included an error, whereby \$99,156 of the Prison Ministry fund was double-counted as expenditure; the opening balance on the Prison Ministry fund was correspondingly understated as at 1 January 2022. The error was not material in nature: it did not affect the overall expenditure reported, only the allocation between restricted and unrestricted funds. The error has therefore been adjusted in 2022.

20 Analysis of net assets between funds

	Unrestricted 2022	Restricted 2022	Endowment 2022	Total 2022
	\$	\$	\$	\$
Fund balances at 31 December 2022 are represented by:				
Tangible assets	3,180	-	-	3,180
Investments	262,754	-	1,280,988	1,543,742
Current assets/(liabilities)	673,993	519,587	-	1,193,580
	939,927	519,587	1,280,988	2,740,502
	Unrestricted 2021	Restricted 2021	Endowment 2021	Total 2021
	\$	\$	\$	\$
Fund balances at 31 December 2021 are represented by:				
Tangible assets	3,467	-	-	3,467
Investments	500,544	-	1,358,880	1,859,424
Current assets/(liabilities)	1,183,078	469,032	-	1,652,110
	1,687,089	469,032	1,358,880	3,515,001

The Global Fund for Forgotten People, Order of Malta

Notes to the Financial Statements (continued)



For the year ended 31 December 2022

21 Operating lease commitments

At the reporting end date the Fund had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows

	2022	2021
	\$	\$
Within one year	9,597	10,225

22 Related Party Transactions

There is a central relationship between the Fund and the Order of Malta. The Fund makes grants to charitable projects of the Order of Malta across the world which cater for those people who would otherwise be forgotten. As at 31 December 2022, all five trustees of the Fund are members of the Order of Malta.

One of the five trustees, R A Fitzalan Howard, was, until 23 June 2022, President of BASMOM, one of the charitable projects that have been awarded grants by the Fund in 2022 (2021: R A Fitzalan Howard was President of BASMOM).

No other trustees have been directly involved in any of the charitable projects that have been awarded grants by the Fund in 2022 (2021: none).

The Fund works closely with The Global Fund for Forgotten People Inc., a USA-incorporated 501(c)3 ("the US Fund"), a charity which also raises funds for and makes grants to projects that work with people who would otherwise be forgotten. The two organizations are separate and independent, but benefit from shared objectives, processes and administrative functions. Administrative and overhead expenses that are re-charged between the two entities on a recurring basis. The expenses incurred by the Fund on behalf of the US Fund were \$76,377 (2021: \$33,971) for the year ended December 31, 2022. The expenses incurred by the US Fund on behalf of the Fund were \$23,447 (2021: \$10,849) for the year ended December 31, 2022. The US Fund owed \$52,930 (2021: \$23,122) to the Fund as of December 31, 2022.

23 Cash generated from operations

	2022	2021
	\$	\$
Deficit for the year	(774,499)	(122,441)
Adjustments for:		
Investment income recognised in statement of financial activities	(33,222)	(17,981)
Gain on disposal of investments	(104,099)	(15,853)
Fair value gains and losses on investments	424,474	(61,329)
Depreciation and impairment of tangible fixed assets	1,731	1,842
Investment manager fees	13,719	15,358
Movements in working capital:		
(Increase)/decrease in debtors	(217,145)	72,108
(Decrease) in creditors	(98,723)	(335,551)
Cash absorbed by operations	(841,764)	(463,847)



The Global Fund for Forgotten People works with the Order of Malta
A registered charity in England and Wales (1148427)