The Power of Nutrition

Annual Report and Financial Statements

For the year ended 31 December 2021

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Company number: 09288843

Registered charity number: 1160373

Trustees' Annual Report

The Power of Nutrition, a company limited by guarantee, was incorporated in England and Wales on 30 October 2014 with company number 09288843. It was registered as a charity in England and Wales on 6 February 2015 with charity number 1160373.

Reference & Administrative Details

Company number	09288843
Charity number	1160373
Registered office	One Bartholomew Close, London EC1A 7BL

Trustees

Trustees, who are also directors under company law, who served during the period and up to the date of this report were as follows:

Jonathan Brinsden	
David Bull CBE	
Michael Rann	(resigned 12 July 2022)
Mark Cutifani	
Alasdair Cook	
Caroline Kuhnert	
Faustina-Fynn Nyame	(resigned 5 August 2021)

Principal staff

Simon Bishop	(Chief Executive, appointed January 2021)
Michelle Thompson	(Director of Strategic Engagement)
Alok Ranjan	(Director of Investments, appointed January 2021)
Chris Skeet	(Director of Finance)
Carla Martins	(Director of Human Resources and Operations)

Bankers	Barclays PO Box 885 Mortlock House, Station Road Histon CB24 9DE HSBC 133 Regent Street, London W1B 4HX
Solicitors	BDB Pitmans One Bartholomew Close, London EC1A 7BL
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Message from the Chief Executive

In 2021, just over one in five children under five globally suffered from stunting, a life-altering condition caused by chronic undernutrition. Despite improvements made in the last decade (in 2000, it was one in three), we are now seeing progress being reversed as many as 828 million people were hungry globally in 2021 – an increase from 811 million in 2020. The growing rates of stunting and hunger are a direct result of the recent pandemic, continued conflict in vulnerable regions and the increasing impact of climate change. These factors have had the tragic outcome of exacerbating the need for nutrition programming, whilst at the same time, directly impacting the available funds from national economies shrinking alongside aid budgets.

The Power of Nutrition's original goal, to leverage more funding for nutrition and create programmes that tackle malnutrition at scale, is more important now than ever.

Covid affected global food insecurity in almost every country by reducing incomes and disrupting food supplies, but its legacy is also felt close to home with a new, more challenging fundraising environment being felt across the international development sector. Yet despite this, we saw important progress in 2021 in meeting our organisational goals – leveraging new funds to deliver more nutrition for women and children, which has helped us reach almost 92 million children, adolescents and women with improved nutrition.

New Strategy

In response to our rapidly changing world and sector, 2021 saw the creation of a new bold and ambitious 2022-25 strategy 'Transforming global nutrition fundraising, together' which sees The Power of Nutrition keep much of its DNA, including attracting new money to nutrition, convening partnerships and defragmenting the market, but doing so in an innovative way that adapts to new market challenges. We will expand our focus on stunting to tackle all forms of malnutrition and will move from our current prescriptive 'x4 leverage' model to two new responsive, innovative models. This will include launching Nutrition Ventures, an innovative financing platform that will see The Power of Nutrition expand beyond traditional grant aid as its main instrument to explore a range of innovative financing mechanisms and funding flows, with the aim of helping the global nutrition sector become pioneers in innovative financing. We'll also shift from a focus on fundraising for our own programmes to act much more as a tenacious sector champion for the public good. All of this will make us a much more sustainable organisation, with diversified sources to fund operational expenditure (OpEx), a more balanced risk/return portfolio, a wider donor base – and with more relevance to changing global agendas.

The organisation also adopted a new:

- Vision: A world where every child has the right nutrition to achieve their full potential
- Purpose statement: We raise money and create partnerships to advance the fight against malnutrition in Africa and Asia.

Programme portfolio

The Power of Nutrition's portfolio continued to expand in 2021. As of December 2021, the programmes had reached approximately 48 million children under-five, 21.5 million adolescents, and over 22 million pregnant and lactating women or new mothers – totalling just over 92.5 million people since the organisation's inception.

We secured total funding for two new programmes – in Malawi (USD 12 million) and DRC (USD 6 million), which will be received over the period 2021 to 2025. These achievements were made possible through the dedication and collaboration of our fundraising and programmes & investments teams. Additionally, good progress was made on the Zambia programme which is planned for the third quarter of 2022 (with the funding structure already approved by all parties). The team also brought on board new implementing partners, namely – Give Directly (Malawi and DRC programmes) and World Vision (Zambia programme) with whom we are already developing a strong working relationship.

As of December 2021, there is a total of **18 programmes across 14 countries** in sub-Saharan Africa and Asia, representing **a total co-investment portfolio worth USD 534 million**. The team continues to work on a healthy pipeline of new programmes including DRC-1 (Approved by the Board in January 2022) and DRC-2, Zambia, Mozambique and Rwanda.

The following was a comment received from FCDO after their annual performance review of our organisation;

> *"TPON has addressed a number of challenges and appears to have weathered a particularly difficult period…TPON has significantly exceeded its target for delivering nutrition services at scale and has met its target for generating a sufficient number of potentially high impact programmes in countries of need". –*
> **FCDO Annual Review, 2021**

Fundraising

2021 was one of the most challenging fundraising periods for both The Power of Nutrition and the broader sector since our inception due to the impacts of Covid. With philanthropy, corporate and development budgets prioritising humanitarian or short-term crisis relief responses, and the Tokyo *Nutrition for Growth (N4G) Summit* being postponed to end 2021, nutrition financing dropped down the agendas of global leaders and investors. The exceptional virtual nature of the year also made relationship-building a significant challenge.

Despite these challenges, between January and December 2021, nine Letters of Intent were received, representing USD 13.5 million of future grant commitments.

- USD 3 million from the Conrad Hilton Foundation
- USD 8.6 million from SIDA
- USD 0.6 million from Irish Aid
- USD 0.5 million from Medicor
- USD 0.3 million from Royal DSM
- USD 0.3 million from Herbalife Foundation
- USD 83,000 from PVH Corporation
- USD 87,500 from Cloudera Foundation
- USD 28,000 from UBS Optimus Foundation

Please note that funds committed through Letters of Intent will not all be recognised as income in our accounts in the year of receipt due to income recognition rules but does provide a good indicator of fundraising activity as well as the diversity of donors.

As of December 2021, we had brokered over **40 multi-sectoral partnerships** across private and public sectors and directly raised over **USD 88 million in investment funding**, unlocking new and critical funds for nutrition.

Nutrition is fast rising up the global agenda in 2022, with many of the countries we operate in feeling the adverse effects of conflict, climate change, Covid and the global cost of living crisis. In response to this, we launched our first ever public appeal as we secured a generous $20m match by one of our donors. The appeal has the benefit of resonating with a significantly wider funder base than our traditional product – individuals, corporates and foundations, anyone who gave to Ukraine may find this appealing.

Communications, advocacy and research

The team prioritised elevating The Power of Nutrition's profile, communicating the value-add to the sector and keeping nutrition high on the agenda of decision-makers in the 'Nutrition Year of Action'. It did this through advocacy (UK Aid advocacy), thought leadership (media and events), communications around new partnerships and programmes and storytelling through owned channels (website, social media and the newsletter).

The Power of Nutrition and partners have also been working on new research quantifying the long-term costs and socioeconomic impact of stunting in childhood to the private sector. This novel research will launch in 2022 and will bolster the evidence base for investing in nutrition.

The new 2022-25 strategy sets the pathway for an increased role for Communications and Advocacy as The Power of Nutrition seeks to become more of a 'public good' and 'tenacious nutrition sector champion'.

People

The Power of Nutrition's #1 asset is our team (the '#PowerTeam'), an incredible group of passionate, experienced people who are committed to do whatever we can to end malnutrition.
Our people's wellbeing, learning, development, and performance significantly impact our success. We are a small but highly passionate and effective team.

In 2021 we've implemented mental wellness days and increased flexibility to facilitate personal life and work harmony and increase our people's wellbeing. At the same time, we've enhanced our Redundancy and Remuneration & Benefits Policies and developed several learning & development initiatives.

Fostering a culture of compassion, diversity, and inclusion is critical to successfully executing our new 2022-25 strategy. Our Number 1 Strategic Objective is to Nurture the existing #PowerTeam and attract new top talent; thus, we will continue to focus our efforts on the following fundamentals:

- the wellbeing of the #PowerTeam (physical, mental and financial),
- the attraction and retention of the right talent,
- compassionate and role model leadership,
- open and transparent communication,
- diversity and inclusion.

Furthermore, we will champion creating a unique organisational coaching culture where:

- leaders and managers help people grow, thrive and perform through effective conversations and honest feedback underpinned by trust and,
- every team member has a voice, feels valued and empowered to do and be their best.

Looking ahead

Six years since the creation of The Power of Nutrition, we enter a new phase for the organisation.

Since my appointment 18 months ago, this period has seen our team, Board, and partners engaged in a strategic review to define our role in the nutrition financing sector, respond to a complex fundraising landscape and evolve our model and ways of working to meet the needs of those to whom we are most accountable – malnourished children, adolescents, and women.

Together, we feel this plan responds effectively to the new world we find ourselves in. We have laid the foundations for fulfilling our enormous potential during 2022-25.

If we deliver our new Strategy, then in our first decade (from 2015-2025), we will have contributed towards the prevention of:

- Almost 1.3 million cases of stunting in children under five
- Over 1 million cases of anaemia in pregnant women
- Approximately 34,000 deaths of children under five

These are goals worth fighting for.

Simon Bishop
CEO, The Power of Nutrition

Strategic Report

The Board of Trustees of The Power of Nutrition, which is also its board of directors, hereby presents the information required by the Companies Act 2006 (the Strategic Report and Directors' Report) together with the financial statements for the year ended 31 December 2021.

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015).

1. Objectives & activities

1.1. Background

The Power of Nutrition – a company limited by guarantee and a charity registered in the UK, and principally referred to as a "charitable foundation" – grew from a commitment by the Children's Investment Fund Foundation (CIFF), the UK's Department for International Development (DFID, now known as The Foreign, Commonwealth and Development Office – FCDO) and the UBS Optimus Foundation (UBSOF) to develop a catalytic financing facility that would bridge a financing gap in the nutrition sector to accelerate progress on child undernutrition. It was registered in February 2015 and formally launched in April 2015.

1.2. Purposes & aims

The Power of Nutrition was created to generate new resources to prevent undernutrition and to improve nutrition outcomes for children at scale. Our aim is to save lives and protect children from low birthweight, stunting and other forms of undernutrition. Nutrition is a fundamental building block for life. It is also recognised as a powerful multiplier for economic and social development: it saves lives and enables children and societies to grow to their full potential.

To transform nutrition outcomes, save lives and protect children, we:

- Unlock financing for nutrition from new and diverse sources, including the private sector and non-traditional investors; and
- Make charitable investments to scale up quality, high-impact child and maternal nutrition programmes in countries with the highest need in sub-Saharan Africa and Asia.

To achieve our goals, our current funding model comprises of co-financing agreements with selected partners. The model guarantees that new investors' contributions will be multiplied by a minimum of four times – an exceptional level of co-financing in the international development space. This funding model will evolve over 2022 in line with our new strategy.

The Power of Nutrition first finds new funders in nutrition; the funds raised are then matched by The Power of Nutrition. We use this financing to encourage the allocation of more new financing at the country level through a second guaranteed match provided by the implementing partners. The sources of this match currently include new donors to UNICEF, grants and concessional loans through the World Bank's International Development Association (IDA) and new implementing partners. All financing is directed by our implementing partners to quality, high-impact nutrition programmes that focus on improving child and maternal nutrition outcomes at scale.

2. Achievements & performance

During the period covered in this report, the charitable foundation completed its sixth full year of independent operation and consolidated its position as an operational entity. We have made significant progress towards our fundraising goals, booking net income totalling USD 12.3 million including matched fund income. Our Board approved three further programmatic investments during the year (Bangladesh, Ethiopia 2 and Malawi). We now have seventeen active programmes and one completed programme (Liberia Phase 1). The total portfolio value was USD 534 million at end 2021.

2.1. Supporting quality, high-impact nutrition programmes

We invested USD 7.5 million in Bangladesh to be disbursed over four years with UNICEF as implementing partner. This programme is designed to improve the quality of maternal nutrition services and care of low-birth-weight infants in Bangladesh.

USD 14.7 million was invested in our 2nd programme in Ethiopia to be disbursed over five years with UNICEF as the implementing partner. The programme is addressing maternal nutrition, wasting and stunting in under-fives in Ethiopia.

USD 5.7 million was invested in our Malawi programme to be disbursed over five years with Save the Children as the implementing partner. The programme is focussing on empowering communities in Malawi so that children can thrive and succeed.

USD 3.8 million was invested in the Mobile Doctorni programme in Gujarat with Group M as the implementing partner. This programme has the ambition to reach 2.7 million women with hygiene and nutrition messaging utilising technology.

We continued to oversee the implementation of our investments in Tanzania (USD 44 million), Ethiopia (USD 40 million), Madagascar (USD 90 million), Cote d'Ivoire (USD 60.4 million), Rwanda (USD 116 million), Nigeria (USD 3.9 million), Burkina Faso (USD 30 million) and Lesotho (USD 5 million) all with the World Bank; as well as our 2nd investment in Liberia (USD 10 million), Benin (USD 10 million) and Maharashtra (USD 10 million), all three of which are with our implementing partner UNICEF. Investments with new implementing partners included Gujarat (USD 6 million) with CARE and Action Against Hunger implementing, together with our Indonesian investment (USD 10 million), which is being implemented by Save the Children and Nutrition International.

In the financial statements (see Note 13a) some of these programmes show a net negative position. A number of these negative balances largely arise from the accounting treatment prescribed by current accounting standards where, although these programmes are fully funded, we are subject to the agreement wording required to record the full anticipated expenditure at the start of the programme, even though activities on-the-ground may not start for several years; whereas our grant income recognition policy generally requires that promised grant income is recognized throughout the life of the programme when due. These are Maharashtra (USD 1.2 million), Indonesia (USD 1 million), Liberia 2 (USD 0.15 million), Rwanda (USD 0.25 million) and Bangladesh (USD 2.8 million). We are currently reviewing our income and expenditure approach, so they more closely reflect the project life cycle. There are a further four programmes Gujarat (USD 0.5 million), Indonesia (USD 1.6 million), Benin (USD 2.5 million) and Bangladesh (USD 0.95 million) which require further funding to be raised in their later operating years, but we are currently confident we can achieve this, alternatively responsibly scaling back the level of ambition in these programmes.

3. Looking ahead

The Power of Nutrition is working to fulfil its mandate to drive transformative nutrition outcomes at scale. We have built strong foundations and have launched a new, bold and ambitious strategy; this will enable us to bring in new funding, make additional programme investments and ultimately improve the lives of children and women of childbearing age in our priority countries in Africa and Asia.

Whilst 2022 is likely to see malnutrition and hunger rates rising, this does provide an opportunity to expand our activities as our cause rapidly rises up the global agenda. The launch of our appeal, which is in line with our new strategy and supported by a match commitment of a donor, will enable us to be part of the global discussion on the malnutrition crisis and target new funders we previously couldn't reach.

Unless and until these changes in the global agenda are reflected in new donor funding priorities, we acknowledge that we are operating in a challenging environment. Increases in global aid (ODA) allocations to nutrition, following a decade of rises, have now at best plateaued and are likely in decline. Leaders in global nutrition, like FCDO, are significantly reducing their nutrition funding, following the British Government's decision to reduce their aid from 0.7% to 0.5% of GNI. France's recent commitment to increase their aid to 0.7% of GNI and make tackling malnutrition a top 3 priority is welcome but goes against the trend. Covid has - and will likely continue - to impact us, hampering in-person fundraising, a key aspect of our work and we've seen a clear trend in donor funds for nutrition being diverted to the Covid response.

Our two main operating expenditure (OpEx) funders are The Bill and Melinda Gates Foundation (BMGF) and CIFF, who are also evolving their nutrition priorities, and will commit less or spend their commitments differently in the years ahead. We are jointly committed to reducing our reliance on them, as part of becoming a more self-sustaining organisation, and we are grateful to new donors who are already contributing to our operating costs.

Our strategic objectives in the coming years include:

- Delivering our new organisational strategy for 2022-25 '*Transforming global nutrition fundraising, together', including leveraging more than a quarter of a billion dollars ($263m) for the sector*
- Building relationships with new funders to bring them into the nutrition space, achieving ambitious fundraising targets and strengthening our network of supporters among philanthropic, corporate, high net worth individuals, bilateral and other funders, including those not currently focused on nutrition.
- Further developing our programmatic investments, including working with existing implementation partners to build a pipeline of new investments, as well as identifying new potential implementing partners.
- Maintaining and building on our systems to ensure accountability, transparency, traceability of financing and impact for our beneficiaries.
- Launching Nutrition Ventures, an innovative financing platform that will see The Power of Nutrition expand beyond traditional grant aid as its main instrument to explore a range of innovative financing mechanisms and funding flows, with the aim of helping the global nutrition sector become pioneers in innovative financing.
- Continue to monitor and evaluate existing investments to ensure compatibility with our investment targets, as well as supporting the long-term independent evaluation of The Power of Nutrition and our impact.
- Improving our communications and advocacy, with stronger messaging and branding, as well as increasing the reach of our communications channels.

- Continuing to invest in our people, to build a first-class team and organisation, with a culture of inclusivity, empowerment, creativity and entrepreneurship.

4. Financial review

4.1. Income

During the period covered in this report, The Power of Nutrition recorded income totalling USD 13.4 million (2020: USD 15.4 million). This income was received from three founding partners, seven 3rd party donors and three bi-lateral donors:

- CIFF USD 0.8 million (USD 3.6 million)
- FCDO USD 2.4 million (USD 8 million)
- UBS Optimus Foundation USD 0.1million (USD Nil)
- Private and Bi-lateral Donors income of USD 10.1 million (USD 3.7 million).
- Bank interest earned USD 0.03 million (USD 0.1 million)

Offsetting this income were grant income write-backs totalling USD 1.1 million (USD 21.4 million) which related to income booked in prior years which was either withdrawn by donors or we do not expect to be honoured by donors (please see Section 2 above and note 2b to the financial statements for further details).

4.2. Expenditure

A total of USD 33.9 million (2020: USD 13.3 million) was recognised as expenditure during the year. This can be analysed across two key expenditure groupings, namely Programmatic and Operational expenditure. Programmatic expenditure is defined as the expenditure the Foundation directly books to programmes that are designed and run by our implementing partners in our target countries. Operational expenditure is defined as the expenses incurred through the day to day running of the Foundation, including the costs of its staff and operations.

4.2.1. Programmatic Expenditure

- Total charitable grants expensed during the course of the year amounted to a net USD 30.3 million (2020: USD 10.4 million):
  - USD 7.5 million was expensed to our implementing partner UNICEF in respect of a nutrition programme in Bangladesh. Funds will be disbursed over 4 years.
  - USD 14.7 million was expensed to our implementing partner UNICEF in respect of a 2nd nutrition programme in Ethiopia. Funds will be disbursed over 5 years.
  - USD 0.5 million was expensed to our implementing partner World Bank in respect of a supplementary evaluation exercise in Rwanda
  - USD 0.1 million was expensed to Modern Scientist Global who are leading a Nutrition research project.
  - USD 5.7 million was expensed to our implementing partners SAVE the Children and Give Directly in respect of a nutrition programme in Malawi. Funds will be disbursed over 5 years.
  - USD 3.8million was expensed to our implementing partner Group M in respect of the Mobile Doctorni programme in Gujarat. Funds will be disbursed over 2 years.
  - Included in the USD 30.3m is a USD 2m reduction in grant expenditure due to a reduction in the Gujarat programme investment of USD 2m as we were unable to fundraise to cover the funding gap on this programme.

4.2.2. Operational Expenditure

- Operating expenses totalling USD 3.6 million (2020: USD 2.9 million) were incurred during the period:
    - The majority of this operating expenditure was funded through an arrangement with one of our funding partners (CIFF).
    - The most significant cost, USD 2.5 million (2020: USD 1.9 million), was staff related; this equates to 69% of our current operating expenses. Staff costs as a percentage of overall operating expenses will likely remain between 65% and 70% if the organisation continues to operate as planned.

4.3. Cashflow

The net cash outflow from operating activities was USD 1 million.

Our main programmatic cash inflows consisted of funding from donors totalling USD 14.2 million and cash outflows to programmes totalling USD 12.8m during the year. These cash outflows were significantly less than the USD 30.3 million grant expenditure accrued during the year and illustrates the impact of the accounting treatment of being required to book the full anticipated expenditure at the start of a programme but only receiving and spending funds over a number of years, depending on the length of the programme (usually three to five years).

4.4. Foreign exchange movement

Our policy is to convert any currency funds received to USD at the time of receipt. This has better aligned currency funds held with underlying disbursements which are predominantly in USD.

A loss of USD 0.1 million (2020: gain of USD 0.2 million) was realised in respect of the movement on the USD / GBP currency rate impacting on funds received in GBP and converted to USD.

4.5. Reserves and going concern

The charitable foundation does not currently hold a set level of reserves but as noted below as our OpEx funding arrangements change, the trustees will be developing a new reserves policy that will address the future OpEx funding situation. Net negative funds totalling USD 6.2 million of the charitable foundation are considered to be restricted, to be used to fund maternal and child nutrition programmes aimed at reducing child undernutrition and malnutrition worldwide, the current expectation is that funds will be able to be raised ahead of related disbursements becoming due. Funds totalling USD 3.3 million are considered to be unrestricted. As noted above, to date, operational expenses have substantially been met under an arrangement with one of the funding partners. However, we have begun to diversify our OpEx funding base and have booked USD 2.1 million to date in respect of OpEx funding from other 3rd party donors. Our current aim is to hold at least 6 months' worth of cash reserves to cover operational expenses at any one time.

- Cash holdings are held where possible in interest bearing accounts.
- Cash at bank totalled USD 19.3 million (2020: USD 18.5 million) at year end.

The Board considers that The Power of Nutrition has adequate financial resources to fund its operational expenditure for at least 12 months following the date of this report and a reasonable expectation that it will have adequate resources to continue beyond that point. The accounts have therefore been prepared on the basis that the charitable foundation is a going concern.

5. Structure, governance & management

5.1. Structure

The Power of Nutrition is a charitable company limited by guarantee. It was incorporated as a company on 30 October 2014 under the name Catalytic Financing Facility for Nutrition and registered as a charity under the same name on 6 February 2015. The company was established under a Memorandum of Association and is governed under its Articles of Association, which sets out its objects and powers.

The name was formally changed to The Power of Nutrition on 19 April 2015 pursuant a Board resolution of 10 March 2015.

The objectives of The Power of Nutrition as stated in the Articles of Association are to support the advancement of health and the prevention or relief of poverty by providing, or assisting in the provision of, financial support to maternal and child nutrition programmes worldwide.

The Board of Trustees have a duty to report in the Trustees' Annual Report on the charitable foundation's public benefit. They should demonstrate that:

- The benefits generated by the activities of The Power of Nutrition are clear. This report sets out in some detail the activities that the charitable foundation has carried out over the past year in order to achieve our mission.
- The benefits generated relate to the objectives of The Power of Nutrition. All activities undertaken are intended to further the charitable objectives of the charitable foundation, noted above.

The accounts of the charitable foundation are filed with Companies House and the Charity Commission.

5.2. Governance & management

The governing body of the charitable foundation is the Board of Trustees. The Trustees are appointed in their capacity as individuals and are also Directors for the purposes of company law. The Trustees are responsible for reviewing and approving the strategy and operational policies of the charitable foundation (including such areas as risk management and legal and regulatory compliance), reviewing reports on the charitable foundation's financial activities and monitoring investment and fundraising activities.

Board of Trustees

During the year ended 31 December 2021, one trustee resigned namely Faustina-Fynn Nyame (5 August 2021). One trustee Michael Rann resigned in 2022 (12 July 2022).

The Trustees have no beneficial interest in the charitable foundation. All Trustees sit on the Board of The Power of Nutrition in their own individual capacity and execute their duties in the best interests of the Foundation. There are no Corporate Trustees. All Trustees give their time freely and no Trustee remuneration was paid in the year. Trustees are mindful of identifying and managing conflicts of interest and manage their proceedings in accordance with the detailed conflict of interest procedure set out in the charitable foundation's Articles of Association. Please also see the related party note 17 to the Annual Financial Statements.

The Board met three times during 2021 (2020: three).

The Executive

Day-to-day responsibility is delegated to the Executive under the leadership of the Chief Executive who reports to the Board and works closely with the Chair.

The Executive is responsible for raising new financing, working with the implementing partners to channel the financing to evidence-based investments in nutrition, and reporting to the Board and other key stakeholders.

The team has structured its operational functions across three key pillars: partnerships & brands (fundraising), investments, and communications.

Partners

The Power of Nutrition is a growing partnership of funding and implementing partners committed to helping children grow to their full potential. During the year ended 31 December 2021:

- Three founding funding partners committed financing to the organisation. These are: CIFF, FCDO and UBS Optimus Foundation.
- We continue to work with our two principal implementing partners the World Bank and UNICEF.
- We also work with seven other implementing partners (Save the Children, Nutrition International, Action Against Hunger, Care International, World Vision, GroupM and GiveDirectly), all of whom have been approved by our Board.

5.3. Key policies & risk management

The Board is responsible for ensuring that the charitable foundation has an appropriate system of controls, financial and otherwise. It is also responsible for safeguarding the assets of the charitable foundation and, therefore, for taking reasonable steps for the prevention of fraud and other irregularities.

A set of core operating policies guide the day-to-day work of The Power of Nutrition. These include:

- Managing our Costs & Travel Expense policies
- Anti-Bribery & Corruption & Anti-Money Laundering policies
- Whistleblowing policy
- Safeguarding Children and Vulnerable Adults
- Equal Opportunities policy
- Disciplinary & Grievance policy
- Harassment and Bullying policy
- Diversity, Equality and Inclusion policy
- Remuneration and Benefits policy
- Investment Approval policy
- Investor Vetting policy

- Data Protection policy
- Brand and Communications policy
- Privacy policy
- Health and Safety policy.
- Anti-Slavery and Human Trafficking policy

The Power of Nutrition is committed to ensuring that it provides a safe and trusted environment which safeguards and promotes the welfare and wellbeing of beneficiaries, our staff and partners. The Power of Nutrition enforces safeguarding practices through its procedures and policies including:

- ensuring compliance with our Safeguarding Children and Vulnerable Adults policy.
- a code of conduct for staff.
- recruiting staff safely by undertaking due diligence on individuals prior to appointment.
- using our safeguarding procedures to share concerns and relevant information with the appropriate agencies as necessary.
- using our disciplinary procedures to manage any allegations against staff appropriately.
- ensuring there are effective complaint and whistleblowing measures in place as per our Whistleblowing policy.

Our safeguarding policy is reviewed, approved and endorsed by the Board of Trustees annually or when updated after relevant legislation changes.

The Power of Nutrition requires all partners, agencies and grantees to:

- have adopted and to comply with a safeguarding policy ensuring equivalent safeguarding standards and mechanisms as provided for in The Power of Nutrition safeguarding policy; or
- where the partner, agency or grantee has no such policy in place, adhere to The Power of Nutrition safeguarding policy.

Assisted by the Executive and the Finance and Audit Committee, the Board reviews and assesses the major risks to which The Power of Nutrition is exposed. Risks are assigned a 'Gross Risk Score' based on *likelihood of occurrence* and *potential impact*, and a 'Net Risk Score' that takes in to account the strength of mitigation measures in place. Taking into account the controls and safeguards currently in place, the key risks and uncertainties identified by the Board are as follows:

Key risks summary

The Power of Nutrition has in place a risk matrix that is reviewed monthly by the Executive team, before every Board meeting by the Finance and Audit Committee, and by the Board of Trustees at every Board meeting.

The organisation has identified the following key risks:

FCDO budget cuts and implications for match Model

One of our founding funders, the UK Foreign, Commonwealth and Development Office (FCDO), has been subject to significant budget cuts.

With no certainty around the future of funding commitments from FCDO for 2022 or beyond, the organisation faces a risk in that a core element of our offering - match funding from FCDO – may no longer be provided by them.

Our response to this has been to launch a new strategy, as referred to in the Chief Executive's report, to diversify the funding base of the organisation.

Operational expenditure

The organisation needs to continue to raise sufficient additional funding to cover its on-going operating expenditure (OpEx). The organisation is in a process of transition to broaden its OpEx base away from its historical funder, CIFF, and introduce new funders, as well as implementing standard cost recovery from all funders. The organisation currently has OpEx funding commitments to support it for at least the next 12 months. In addition, we constantly review our expenditure to ensure we are a lean, efficient organisation.

Future Programme Funding

As explained under paragraph 2.1, there are currently four programmes (Gujarat, Indonesia, Benin and Bangladesh) that are not yet fully funded but where we expect to raise the additional USD 5.6 million required to implement the planned programmes to the fullest extent This is a small amount in the context of the USD 534 million which will be utilised by our 18 programmes. In addition to raising future funding, we are currently actively exploring other solutions, including discussions with donors, reducing the scale of some programmes and/or allocating unrestricted funds generated.

Raising unrestricted funding remains a challenge. This is in part due to the fact that most donors wish to commit funds to front-line programmes, rather than cover central costs. More unrestricted funding would speed-up partnerships and most importantly get programmes going more quickly.

The fundraising team continues to actively seek out unrestricted financing, while the finance and audit committee regularly monitors this situation. In addition to assist with our fundraising efforts, we have strengthened our fundraising team by adding a member based in the Middle East who specialises in fundraising in this geography where we have not previously had a strong presence.

Staff retention

Not being able to retain staff is a very high risk in an organisation such as The Power of Nutrition. In a smaller organisation the impact of valued employees leaving can be much greater.

To mitigate this risk, The Power of Nutrition has been taking a proactive approach by implementing competitive and fair remuneration packages, ensuring that robust human resources policies are in place, developing a clear performance management system, giving employees a voice, and ensuring that they feel listened to, respected and able to contribute to their fullest extent. A new *Benefits and Remuneration Policy* was approved by the Board in June 2021, after consultation with all members of the team. Additionally, staff have been fully engaged in the creation of our new Strategy.

Fundraising statement

The Power of Nutrition has for the first time via its Global Malnutrition Crisis Appeal in 2022 engaged in public fundraising and also occasionally uses professional fundraisers. We are a member of the Charity Fundraising Regulator and monitor the relevant fundraising regulations (including the Institute of Fundraising guidelines (UK)) and codes to ensure compliance where relevant. During the year there was compliance with these regulations and codes. The charitable foundation did not receive any complaints relating to its fundraising practise during the year.

Remuneration statement

Salaries for permanent staff across all functions have been set in line with a range of market rate indicators and internal parity. Any salary adjustments made in the year were in line with our Remuneration and Benefits Policy in existence at the time and which was subsequently updated and approved by the Board of Trustees in June 2021.

Public benefit

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, 'Charities and Public Benefit.' That guidance addresses the need for all charities' aims to be, demonstrably, for the public benefit. The trustees consider the facilitation and provision of nutrition services to be wholly for the public's benefit.

6. Statement of responsibilities of Trustees

The Trustees (who are also Directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and accounting standards (United Kingdom Generally Accepted Accounting Practice).

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

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

In so far as the Trustees are aware:

- There is no information relevant to the audit of which the auditors are unaware; and
- They have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The membership of The Power of Nutrition comprises the Trustees, the Children's Investment Fund Foundation and the UBS Optimus Foundation and entitles the members to voting rights only. Neither the Trustees nor the Members have any beneficial interest in The Power of Nutrition.

The Trustees' Annual Report, incorporating the strategic report and directors' report, has been approved by the Trustees on 27 September 2022 and signed on their behalf by

M Cutifani
M Cutifani (Sep 27, 2022 16:31 GMT+1)

....

Mark Cutifani, Chairman

Opinion

We have audited the financial statements of The Power of Nutrition (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Power of Nutrition's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
    - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
    - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Noelia Serrano (Senior statutory auditor)
28 September 2022
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities

For the year ended 31 December 2021

	Note	Unrestricted $	Restricted $	**2021 Total $'000**	Unrestricted $	Restricted $	2020 Total $'000
Income from:							
Grants	2	786	12,619	**13,405**	5,800	9,458	15,258
Bank interest		2	31	**33**	16	93	109
Total income		788	12,650	**13,438**	5,816	9,551	15,367
Income write-backs:							
Grants written back	2a	-	(1,136)	**(1,136)**	-	(21,431)	(21,431)
Income after write-backs:		788	11,514	**12,302**	5,816	(11,880)	(6,064)
Expenditure on:							
Raising funds	3	1,932	-	**1,932**	1,728	97	1,825
Charitable activities	3	1,657	30,320	**31,977**	1,170	10,257	11,427
Total expenditure		3,589	30,320	**33,909**	2,898	10,354	13,252
Net Loss before other recognised gains and losses		(2,801)	(18,806)	**(21,607)**	2,918	(22,234)	(19,316)
(Loss)/Gain on foreign exchange movements		(104)	-	**(104)**	208	**-**	208
Net movement in funds		(2,905)	(18,806)	**(21,711)**	3,126	(22,234)	(19,108)
Reconciliation of funds:							
Total funds brought forward	13b	6,166	12,577	**18,743**	3,040	34,811	37,851
Total funds carried forward	13a	3,261	(6,229)	**(2,968)**	6,166	12,577	18,743

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The Power of Nutrition

Balance sheet

As at 31 December 2021

	Note	$'000	2021 $'000	$'000	2020 $'000
Fixed assets:					
Tangible assets	9a		**18**		42
Intangible assets	9b		**198**		31
Current assets:					
Debtors	10	**13,092**		17,166	
Short term deposits		**674**		2,047	
Cash at bank and in hand		**18,604**		18,509	
		32,370		37,722	
Liabilities:					
Creditors: amounts falling due within one year	11a	**14,701**		6,554	
Net current assets			**17,669**		31,168
Total assets less current liabilities			**17,885**		31,241
Creditors: amounts falling due after one year	11b		**20,853**		12,498
Total net assets			**(2,968)**		18,743
The funds of the charity:	12				
Restricted income funds			**(6,229)**		12,577
Unrestricted income funds			**3,261**		6,166
Total charity funds			**(2,968)**		18,743

Approved by the trustees on 27 September 2022 and signed on their behalf by

M Cutifani
M Cutifani (Sep 27, 2022 16:31 GMT+1)

Mark Cutifani
Chairman

Statement of cash flows

For the year ended 31 December 2021

		2021		2020	
		$'000	$'000	$'000	$'000
Cash flows from operating activities	Note				
Net cash used in operating activities	14		**(1,038)**		(634)
Cash flows from investing activities:					
Interest income		**33**		109	
Purchase of fixed assets		**(169)**		(53)	
Net cash provided by investing activities			**(136)**		56
Change in cash and cash equivalents in the year			**(1,174)**		(578)
Cash and cash equivalents at the beginning of the year			**20,556**		20,926
Change in cash and cash equivalents due to exchange rate movements			**(104)**		208
Cash and cash equivalents at the end of the year			**19,278**		20,556

1 Accounting policies

a) Statutory information
Power of Nutrition is a charitable company limited by guarantee and is incorporated in England & Wales. The registered office address is: One Bartholomew Close, London, EC1A 7BL

b) Basis of preparation
The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity
The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern
The trustees consider that there are no material uncertainties about the charitable foundation's ability to continue as a going concern and it's ability to deliver on its plans through to end September 2023, they also have a reasonable expectation that the organisation will have adequate resources to continue in operational existence beyond end September 2023.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Presentational currency and foreign exchange
The presentational and functional currency of the charitable foundation is United States Dollars (USD). At the year end the exchange rate adopted was £1: USD 1.35 (Prior year £1: USD 1.36) Assets and liabilities in foreign currencies are translated into USD at the rate of exchange for the month in which the transaction was incurred. Exchange differences are shown on the statement of financial activities.

f) Income
Income is recognised when the charitable foundation has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

g) Fund accounting
Restricted funds are to be used for specific purposes as laid down by the donor. In the case of FCDO match funding, NORAD and Platform funding which are classified as restricted, these type of funds are broadly restricted meaning they are not specific to a programme on booking and could be used across different programmes and geographies. Unrestricted funding can be utilised as required by the organisation, The Power of Nutrition's OPEX funding is classified as unrestricted.

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

i) Expenditure and irrecoverable VAT
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of grant-making undertaken to further the purposes of the charity and associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable
Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient. The balance of grants payable due at the end of each reporting period are shown as creditors on the balance sheet.

k) Allocation of support costs
Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Cost of raising funds	55%
Grant making	30%
Governance costs	15%

Governance costs are the costs associated with the governance arrangements of the charitable foundation. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charitable foundation's activities.

1 Accounting policies (continued)

l) Operating leases
Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets
Items of equipment are capitalised where the purchase price exceeds $660 (£500). Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

˜	Leasehold improvements (over the life of the lease)	3 years
˜	Computer equipment	3 years

n) Intangible fixed assets
Intangible fixed assets acquired separately from the charity are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. The intangible asset is an Investment Management System which is in development and should go live in quarter 3 of 2022.

o) Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

p) Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Creditors and provisions
Creditors and provisions are recognised where the charitable foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charitable foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions
The charitable foundation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable foundation in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable foundation to the fund. The charitable foundation has no liability under the scheme other than for the payment of those contributions. All such contributions form part of unrestricted expenditure.

2 Income from grants

	Unrestricted $'000	Restricted $'000	2021 Total $'000	Unrestricted $'000	Restricted $'000	2020 Total $'000
Children's Investment Fund Foundation (CIFF)	-	832	**832**	2,800	764	3,564
The Foreign, Commonwealth and Development Office (FCDO)	-	2,353	**2,353**	-	8,040	8,040
UBS Optimus Foundation	-	79	**79**	-	-	-
Bill and Melinda Gates Foundation	-	-	**-**	3,000	-	3,000
Medicor	-	350	**350**	-	-	-
END Fund	100	2,400	**2,500**	-	-	-
PVH Corporation	4	79	**83**	-	-	-
Unilever	-	964	**964**	-	-	-
Hilton Foundation	100	2,900	**3,000**	-	-	-
Cargill Corporate	170	330	**500**	-	-	-
DFAT - Australian Government	-	500	**500**	-	500	500
SIDA	345	1,301	**1,646**	-	-	-
Irish Aid	67	506	**573**	-	-	-
Others	-	25	**25**	-	154	154
	786	**12,619**	**13,405**	5,800	9,458	15,258

2a Write backs against booked grant income

	Unrestricted $'000	Restricted $'000	2021 Total $'000	Unrestricted $'000	Restricted $'000	2020 Total $'000
Eleanor Crook Foundation	-	-	**-**	-	(2,500)	(2,500)
JSW Foundation	-	-	**-**	-	(2,500)	(2,500)
Asia Philanthropy Circle	-	-	**-**	-	(1,582)	(1,582)
Tata Trust	-	-	**-**	-	(10,000)	(10,000)
Grand Challenges Canada (GCC)	-	-	**-**	-	(2,400)	(2,400)
The Foreign, Commonwealth and Development Office (FCDO)	-	(660)	**(660)**	-	(2,449)	(2,449)
Comic Relief (USA)	-	(476)	**(476)**	-	-	**-**
	-	**(1,136)**	**(1,136)**	-	(21,431)	(21,431)

The 2021 write back against grant income of $1,136k is represented by $660k of income accruals written back once the final payment from FCDO under the second agreement was determined and $476k written back from a Comic Relief (USA) grant that was withdrawn due to political instability in the programme geography. For prior year 2020, the write back against grant income figures represent the withdrawal of grant commitments by the following donors which had been booked to grant income in earlier years, $2.5m in respect of the Eleanor Crook Foundation and $2.5m in respect of the JSW Foundation which were withdrawn ahead of the planned programmes. A further $1.582m was withdrawn from our active Indonesian programme by the Asia Philanthropy Circle. In addition we have made write backs against Tata Trusts ($10m) and Grand Challenges Canada ($2.4m) where we are of the opinion that it is very unlikely that they will honour their initial commitments to the organisation. There is also an associated FCDO match funding amount of $2.449m for GCC that will not be received.

3a Analysis of expenditure - current year

	Cost of raising funds $'000	Grant-making $'000	Governance costs $'000	Support costs $'000	**2021 Total $'000**	2020 Total $'000
Staff costs (Note 6)	780	983	47	669	**2,479**	1,922
Other staff costs	5	(4)	-	59	**60**	228
Grant commitments (Note 4)	-	30,320	-	-	**30,320**	10,354
Premises	-	-	-	186	**186**	155
Travel	-	-	-	11	**11**	45
Office, IT and insurance	-	-	-	177	**177**	129
Communications and business development	11	-	-	9	**20**	20
Audit	-	-	36	-	**36**	30
Consultancy	-	59	181	107	**347**	206
Fundraising Intermediaries	-	-	-	-	**-**	28
Legal and professional fees	-	-	-	247	**247**	109
Depreciation	-	-	-	26	**26**	26
	796	31,358	264	1,491	**33,909**	13,252
Support costs	820	447	224	(1,491)	**-**	-
Governance costs	316	172	(488)	-	**-**	-
Total expenditure 2021	**1,932**	**31,977**	**-**	**-**	**33,909**	
Total expenditure 2020	**1,825**	**11,427**	**-**	**-**	**13,252**	

3b Analysis of expenditure - prior year

	Cost of raising funds $'000	Grant-making $'000	Governance costs $'000	Support costs $'000	**2020 Total $'000**
Staff costs (Note 6)	635	601	228	458	**1,922**
Other staff costs	82	60	71	15	**228**
Grant commitments (Note 4)	97	10,257	-	-	**10,354**
Premises	-	-	-	155	**155**
Travel	8	18	13	6	**45**
Office, IT and insurance	7	1	11	110	**129**
Communications and business development	16	1	-	3	**20**
Audit	-	-	30	-	**30**
Consultancy	100	24	-	82	**206**
Fundraising Intermediaries	28	-	-	-	**28**
Legal and professional fees	-	-	-	109	**109**
Depreciation	-	-	-	26	**26**
	973	10,962	353	964	**13,252**
Support costs	530	289	145	(964)	**-**
Governance costs	322	176	(498)	-	**-**
Total expenditure 2020	**1,825**	**11,427**	**-**	**-**	**13,252**

4a Grant making - current year

	Grants to institutions $'000	Support costs $'000	**2021 $'000**
Cost of grants	30,320	1,657	**31,977**

4b Grant making - prior year

	Grants to institutions $'000	Support costs $'000	2020 $'000
Cost of grants	10,354	1,170	**11,524**

The Power of Nutrition makes charitable grants to its implementing partners to scale up quality, high-impact child and maternal nutrition programmes

In 2021, $32.3m (2020: $10.3m) was committed mainly across 6 nutrition programmes, namely Bangladesh ($7.5m) with UNICEF, our 2nd programme in Ethiopia ($14.7m) with UNICEF, a supplementary programme in Rwanda ($0.5m) with World Bank, a programme in Malawi ($5.7m) with Save The Children, the Mobile Doctorni programme in India ($3.8m) with Group M and $0.1m on a Nutrition research project with Modern Scientist Global. An amount of $2m was written back against grant expenditure which reflects the reduction in funding for the Gujurat programme where we were unable to find an additional funder to cover the funding shortfall in this programme, giving a net grant expenses figure of $30.3m.

5 Net loss for the year

This is stated after charging / (crediting):

	2021 $'000	2020 $'000
Depreciation	**26**	26
Operating lease rentals:		
Property	**109**	95
Auditor remuneration (excluding VAT):		
Audit	**30**	30
Other services	**-**	-
Foreign exchange loss / (gain)	**104**	(208)

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 $'000	2020 $'000
Salaries and wages	**2,047**	1,643
Social security costs	**247**	188
Employer's contribution to defined contribution pension schemes	**122**	54
Other forms of employee benefits	**63**	37
	2,479	1,922

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
$247,000 - $259,999 (£190,000 - £200,000)	**1**	-
$195,000 - £207,999 (£150,000 - £160,000)	**1**	1
$182,000 - $194,999 (£140,000 - £150,000)	**-**	1
$169,000 - $181,999 (£130,000 - £140,000)	**1**	-
$156,000 - $168,999 (£120,000 - £130,000)	**2**	-
$143,000 - $155,999 (£110,000 - £120,000)	**-**	1
$130,000 - $142,999 (£100,000 - £110,000)	**-**	1
$104,000 - $116,999 (£80,000 - £90,000)	**-**	2
$91,000 - $103,999 (£70,000 - £80,000)	**3**	1
$78,000 - $90,999 (£60,000 - £70,000)	**3**	4

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were $1,135,098 (2020: $945,455).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: $nil). No charity trustee received payment for professional or other services supplied to the charity (2020: $nil).

Travel expenses relating to trustees totalled $Nil (2020: $2,937).

Related party transactions are disclosed in note 17.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 19.7 (2020: 20).

	2021 No.	2020 No.
Raising funds	**8.0**	6.5
Grantmaking	**7.4**	7.3
Support	**4.1**	6.0
Governance	**0.2**	0.2
	19.7	20.0

8 Taxation

The charitable foundation is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9a Tangible fixed assets

	Computer $'000	Leasehold $'000	Total $'000
Cost or valuation			
At the start of the year	78	83	**161**
Additions in year	2	-	**2**
Disposals in year	-	-	**-**
At the end of the year	80	83	**163**
Depreciation			
At the start of the year	53	66	**119**
Charge for the year	14	12	**26**
Eliminated on disposal	-	-	**-**
At the end of the year	67	78	**145**
Net book value			
At the end of the year	**13**	**5**	**18**
At the start of the year	25	17	**42**

9b Intangible fixed assets

	IM system $'000	Total $'000
Cost or valuation		
At the start of the year	31	**31**
Additions in year	167	**167**
Disposals in year	-	**-**
At the end of the year	198	**198**

The Investment Management System is in development and yet to go live hence no amortisation has been charged in the year.
All of the above assets are used for charitable purposes.

10 Debtors

	2021 $'000	2020 $'000
Grant income receivable	**12,935**	17,020
Other debtors	**39**	39
Prepayments	**118**	107
	13,092	17,166

$7.5m (2020: $8m) is classified as short-term debtors with the expectation of receiving these funds within 12 months of the year end date. $5.6m (2020: $9.2m) is classified being due for collection between 13 and 24 months post year end date.

11a Creditors: amounts falling due within one year

	2021 $'000	2020 $'000
Trade creditors	**2**	5
Grants payable to UNICEF	**9,649**	3,969
Grants payable to the World Bank	**250**	-
Grants payable to CARE and Action Against Hunger	**835**	543
Grants payable to Save The Children	**2,127**	957
Grants payable to Group M	**1,674**	-
Accruals	**50**	85
Other creditors	**114**	995
	14,701	6,554

11b Creditors: amounts falling due between one and three years

	2021 $'000	2020 $'000
Grants payable to UNICEF	**13,647**	6,076
Grants payable to CARE and Action Against Hunger	**669**	3,572
Grants payable to Save The Children	**5,882**	2,850
Grants payable to Group M	**655**	-
	20,853	12,498

12a Analysis of net assets between funds (current year)

	Unrestricted $'000	Restricted $'000	Total funds $'000
Tangible fixed assets	18	-	**18**
Intangible fixed assets	198	-	**198**
Net assets	3,045	14,624	**17,669**
Long term liabilities	-	(20,853)	**(20,853)**
Net assets at 31 December 2021	**3,261**	**(6,229)**	**(2,968)**

12b Analysis of net assets between funds (prior year)

	Unrestricted $'000	Restricted $'000	Total funds $'000
Tangible fixed assets	42	-	**42**
Intangible fixed assets	31	-	**31**
Net assets	6,093	25,075	**31,168**
Long term liabilities	-	(12,498)	**(12,498)**
Net assets at 31 December 2020	**6,166**	**12,577**	**18,743**

13a Movement in funds (year 2021)

By Programme/Funder	Bal 1 Jan 2021 $'000	Total Incoming Resources $'000	Total Resources Expensed $'000	Transfers $'000	**Bal 31 Dec 2021 $'000**
Unrestricted					
OPEX funding	6,166	788	(3,693)	-	**3,261**
Restricted					
(a) FCDO Match funding	9,030	(660)	-	(5,261)	**3,109**
(b) NORAD funding	1,591	-	6	(560)	**1,037**
(c) Platform Funding	9,576	31	-	(80)	**9,527**
(d) Maharashtra programme	(1,809)	582	-	-	**(1,227)**
(e) Indonesia programme	(3,082)	500	-	-	**(2,582)**
(f) Gujarat programme	(2,500)	-	2,000	-	**(500)**
(g) Benin programme	(2,500)	-	-	-	**(2,500)**
(h) Research Programmes	(61)	23	(142)	180	**-**
(i) Comic Relief (USA) Funder	576	(476)	-	(100)	**-**
(j) Rotary Foundation Funder	5,000	-	-	(5,000)	**-**
(k) Liberia 2 programme	(3,333)	1,690	-	-	**(1,643)**
(l) Unilever programme	17	-	-	(17)	**-**
(m) Rwanda programme	-	250	(500)	-	**(250)**
(n) Ethiopia 2 programme	-	3,413	(14,700)	8,000	**(3,287)**
(o) Bangladesh programme	-	158	(7,500)	2,261	**(5,081)**
(p) Mobile Doctorni programme	-	964	(3,771)	577	**(2,230)**
(q) Malawi programme	-	2,900	(5,713)	-	**(2,813)**
(r) Cargill Corporate Funder	-	330	-	-	**330**
(s) SIDA Funder	-	1,301	-	-	**1,301**
(t) Irish Aid Funder	-	506	-	-	**506**
Other	72	2	-	-	**74**
Total Restricted	12,577	11,514	(30,320)	-	**(6,229)**
Total Funds	18,743	12,302	(34,013)	-	**(2,968)**

Purposes of unrestricted funds

These funds are not restricted for a specific purpose and can be utilised as required by the organisation. In practise these funds are used to fund the operating expenses of The Power of Nutrition.

Purposes of restricted funds

Restricted funds are to be used for specific purposes as advised by the donor (i.e in a specific programme or geography), some of these restricted funds above are classified as broadly restricted funds (see a-c) which means these funds can be used across different programmes and geographies including transfers to other funds that may be in deficit if required.

Total restricted funds are a negative $6.2m at the end of 2021, this is principally due to income recognition criteria which have precluded the full booking of related income whilst the related programme expenditure has been booked in full. In total $5,377k of income (CIFF income of $4,227k, DFAT income of $1m and Medicor $150k) is yet to be booked against programmes which are reflecting fully booked expenditure. There is also expenditure raised against four programmes totalling $5.6m which represent current funding gaps which we are looking for new funders or will reduce the programme size which will reduce the negative funds restricted figure going forward. Off-set against this is $2.1m of income booked that we are not reflecting any associated grant expenditure.

Restricted Funds description

(a) FCDO match funds
FCDO match funds will be used to fund nutrition programmes across various geographies with the exception of India. During 2021, $660k was written back against grant income previously accrued. Further transfers of funds totalling $5,261k were made, with $3,000k going to our Ethiopia 2 programme and $2,261k going to our Bangladesh programme both of which went live in 2021.

(b) NORAD funding
Norad funding can be used across The Power of Nutrition approved programmes but this remaining funding is intended for our Bangladesh programme. $560k was transferred to fund the Mobile Doctorni programme in India which went live in December 2021.

(c) Platform Funding
Platform Funding is aimed to be used within nutrition programmes when required. $180k was transferred during the year to complete the funding of the research programme undertaken with Modern Scientist Global. Funding of $100k was received from funding remaining from the Comic Relief (USA) grant funding that will no longer be utilised in the Burkina Faso programme, giving a net transfer out of funds totalling $80k.

(d) Maharashtra programme
Funding for the Maharashtra programme supports the strengthening of the implementation capacity and delivery of essential nutrition services in Maharashtra at both State and District levels for the benefit of children and mothers. The negative balance at the end of 2021 reflects funds committed to those activities and for which monies are expected to be received in the 2022 to 2024 years from the Children's Investment Fund Foundation. In year 2021, $582k was received from the Children's Investment Fund Foundation towards the Maharashtra programme.

(e) Indonesia programme
Funding for the BISA programme in Indonesia, this programme is assisting the Government of Indonesia in transforming the lives of women, adolescent girls and young children, enabling them to access better nutrition and helping children reach their full potential. The negative balance at the end of 2021 reflects funds committed to those activities and for which $1,000k is expected to be received in the 2022 to 2023 years from DFAT. To cover the remaining $1,582k negative, we are looking for a replacement funder (year 2022 to 2023) after the withdrawal by APC of their funding commitment for this programme. In year 2021, $500k was received from DFAT towards the BISA programme in Indonesia.

(f) Gujarat programme
Funding for the Gujarat nutrition programme which will support the State Government of Gujarat to deliver its stunting reduction programme. During the course of 2021 it was agreed that funding for this programme would be reduced by $2m due to the difficulty in attracting a funder to cover this funding.The negative balance at the end of 2021 reflects funds committed to those activities and which monies are expected to be received in the period 2022 to 2024.

(g) Benin programme
Funding for the Benin programme is to support the Government of Benin's national nutrition programme which is expected to avert 9,000 cases of stunting amongst children; avert 85,400 cases of maternal anaemia and 1,000 child deaths. The negative balance at the end of 2021 reflects funds committed to those activities and for which monies are expected to be received in the period 2022-2024.

(h) Research programmes
Funding for supporting research primarily linking good nutrition with improved business returns and uplift in a country's GDP. This research programme has been completed and the results published in early 2022. A transfer in of $180k from Platform funds was made during the year to complete the funding of this programme.

(i) Comic Relief (USA) funder
This funding was to support the Burkina Faso programme, however Comic Relief (USA) made the decision based on political instability in Burkina Faso to withdraw the final grant due of $476k, the remaining funds totalling $100k were transferred to Platform funds.

(j) Rotary Foundation funder
Funding from the Rotary Foundation , the full $5,000k will be utilised in the Ethiopian 2 programme and the transfer reflects this position.

(k) Liberia 2 programme

Funding for our 2nd programme in Liberia, working to improve nutrition at scale in Liberia and supporting the implementation of the Liberian government's national nutrition programme and 2018 nutrition policy. In year 2021, we received funding of $1,323k from FCDO and $350k from Medicor. The negative balance at the end of 2021 reflects funds committed to those activities and for which $1,510 was received from FCDO in March 2022 with the balance expected to be received from Medicor in late 2022.

(l) Unilever programme

Funding from Unilever that will be used for the Mobile Doctorni programme in India, the transfer of funds is to the Mobile Doctorni programme line.

(m) Rwanda supplementary programme

Funding from CIFF that is for an additional Nutrition evaluation with our Rwanda programme. The negative balance at the end of 2021 reflects funds committed to those activities and which monies are expected to be received in 2022 from CIFF.

(n) Ethiopia 2 programme

Funding for the Ethiopia 2 programme that went live in 2021, addressing maternal nutrition, wasting and stunting in under-fives in Ethiopia. $8m of funds were transferred to this programme in the year, being made up of $3m being allocated from FCDO match funds and a further $5m from The Rotary Foundation which was funding specifically allocated to this programme. The negative balance at the end of 2021 reflects funds committed to those activities and which monies will be received in the period 2022 to 2025, consisting of $3,287k from a combination of FCDO match funds and Platform funds.

(o) Bangladesh programme

Funding for the Bangladesh programme that went live in 2021 is to improve the quality of maternal nutrition services and care of low birth weight infants in Bangladesh. Funds totalling $2,261k were transferred in from FCDO match funds towards the funding of this programme. The negative balance at the end of 2021 reflects funds committed to those activities and which $4,131k is expected to be received in the period 2022 to 2024. The $4,131k is made up of commitments from NORAD $1,037k to be transferred when required (also see note b), $2,800k committed from CIFF and to be drawn down over the period to 2024 with the balance of $294k to be transferred from Platform funds. To cover the remaining negative balance of $950k ($5,081k less $4,131k), we are currently looking for a new funder in the years 2022-2024.

(p) Mobile Doctorni programme

Funding for the Mobile Doctorni programme in Gujarat (India) programme that went live in 2021, this programme has the ambition to reach 2.7 million women with hygiene and nutrition messaging. Transfers towards this programme were made from NORAD funding ($560k) and Unilever ($17k). The negative balance at the end of 2021 reflects funds committed to those activities and which monies are expected to be received from Unilever and the utilisation of platform funds in the period 2022 to 2023.

(q) Malawi programme

Funding for the Malawi programme is to be used to empower communities in Malawi so children can thrive and succeed.The negative balance at the end of 2021 reflects funds committed to those activities and for which monies are expected to be received in the period 2022 to 2025 from the Hilton Foundation and utilisation of platform funds.

(r) Cargill Corporation funder

Funding that will be used for a second Mobile Doctorni programme in India.

(s) SIDA funder

SIDA funding will be used for a programme in DRC. The 1st phase of the DRC programme went live in January 2022.

(t) Irish Aid funder

These funds will be used in Ethiopia and Liberia for an innovative Product Access Initiative

Transfers

Transfers represent funding reallocated from general and specific funder categories to underlying programmes which will utilise this funding. Where there is a movement within the funding line relating to transfers, these transfers are further explained in the detailed narratives presented in a) to t) above.

13b Movement in funds (year 2020)

By Programme/Funder	Bal 1 Jan 2020 $'000	Total Incoming Resources $'000	Total Resources Expensed $'000	Transfers $'000	**Bal 31 Dec 2020 $'000**
Unrestricted					
OPEX funding	3,040	6,024	(2,898)	-	**6,166**
Restricted					
(a) FCDO Match funding	9,941	(911)	-	-	**9,030**
(b) NORAD funding	1,591	-	-	-	**1,591**
(c) Platform Funding	9,672	(96)	-	-	**9,576**
(d) Maharashtra programme	(2,500)	691	-	-	**(1,809)**
(e) Indonesia programme	(2,000)	(1,082)	-	-	**(3,082)**
(f) Gujarat programme	(2,500)	-	-	-	**(2,500)**
(g) Benin programme	(2,500)	-	-	-	**(2,500)**
(h) Research Programmes	100	65	(226)	-	**(61)**
(i) ECF Funder	2,500	(2,500)	-	-	**0**
(j) JSW Funder	2,500	(2,500)	-	-	**0**
(k) Comic Relief (USA) Funder	576	-	-	-	**576**
(l) Rotary Foundation Funder	5,000	-	-	-	**5,000**
(m) TATA Foundation Funder	10,000	(10,000)	-	-	**0**
(n) GCC Funder	2,400	(2,400)	-	-	**0**
(o) Lesotho programme	-	5,000	(5,000)	-	**0**
(p) Liberia 2 programme	-	1,667	(5,000)	-	**(3,333)**
(q) Unilever programme	-	70	(53)	-	**17**
Other	31	116	(75)	-	**72**
Total Restricted	34,811	(11,880)	(10,354)	-	**12,577**
Total Funds	37,851	(5,856)	(13,252)	-	18,743

Purposes of unrestricted funds

These funds are not restricted for a specific purpose and can be utilised as required by the organisation. In practise these funds are used to fund the operating expenses of The Power of Nutrition.

Purposes of restricted funds

Restricted funds are to be used for specific purposes as advised by the donor (i.e in a specific programme or geography), some of these restricted funds above are classified as broadly restricted funds (see a-c) which means these funds can be used across different programmes and geographies including transfers to other funds that may be in deficit if required.

Restricted Funds description

(a) FCDO match funds
FCDO match funds will be used to fund nutrition programmes across various geographies with the exception of India.

(b) NORAD funding
Norad funding can be used across The Power of Nutrition approved programmes but this funding is intended for our Bangladesh programme and our Mobile Doctorni programme in India which is still to be launched.

(c) Platform Funding
Platform Funding is aimed to be used within nutrition programmes when required.

(d) Maharashtra programme
Funding for the Maharashtra programme supports the strengthening of the implementation capacity and and delivery of essential nutrition services in Maharashtra at both State and District levels for the benefit of children and mothers. The negative balance at the end of 2020 reflects funds committed to those activities and for which monies are expected to be received in the 2021 to 2024 years from the Children's Investment Fund Foundation.
In year 2021, $582k was received from the Children's Investment Fund Foundation towards the Maharashtra programme.

(e) Indonesia programme
Funding for the BISA programme in Indonesia, this programme is assisting the Government of Indonesia in transforming the lives of women, adolescent girls and young children, enabling them to access better nutrition and helping children reach their full potential. The negative balance at the end of 2020 reflects funds committed to those activities and for which $1,500k is expected to be received in the 2021 to 2023 years from DFAT. To cover the remaining $1,582k negative, we are looking for a replacement funder (year 2021 to 2023) after the withdrawal by APC of their funding commitment for this programme.
In year 2021, $500k was received from DFAT towards the BISA programme in Indonesia.

(f) Gujarat programme
Funding for the Gujurat nutrition programme which will support the State Government of Gujurat to deliver its stunting reduction programme. The negative balance at the end of 2020 reflects funds committed to those activities and which monies are expected to be received in the period 2021 to 2024.

(g) Benin programme
Funding for the Benin programme is to support the Government of Benin's national nutrition programme which is expected to avert 9,000 cases of stunting amongst children; avert 85,400 cases of maternal anaemia and 1,000 child deaths. The negative balance at the end of 2020 reflects funds committed to those activities and for which monies are expected to be received in the period 2021-2024.

(h) Research programmes
Funding for supporting research primarily linking good nutrition with improved business returns and uplift in a country's GDP. The negative balance at the end of 2020 reflects funds committed to those activities and which monies are expected to be received in the period 2021.

(i) ECF funder
Funding from the Eleanor Crooke Foundation (ECF) for a future nutrition programme that has been withdrawn.

(j) JSW funder
Funding from the JSW Foundation for a future nutrition programme that has been withdrawn.

(k) Comic Relief (USA) Funder
Funding that is to support the Burkina Faso programme, this programme is supporting the nutrition component of the Government of Burkina Faso's Health Services reinforcement Project.

(l) Rotary Foundation funder
Funding from the Rotary Foundation for a future nutrition programme.

(m) TATA Foundation funder
Funding from the TATA Foundation to support future nutrition programmes, written back against income as unlikely to be honoured.

(n) GCC funder
Funding from Grand Challenges Canada to support future nutrition programmes , written back against income as unlikely to be honoured.

(o) Lesotho programme
Funding for the Lesotho programme aimed at increasing the utilisation and quality of key nutrition and health services and improving nutrition related behaviour change.

(p) Liberia 2 programme
Funding for our 2nd programme in Liberia, working to improve nutrition at scale in Liberia and supporting the implementation of the Liberian government's national nutrition programme and 2018 nutrition policy. The negative balance at the end of 2020 reflects funds committed to those activities and for which monies are expected to be received in the 2021 to 2023 years from Medicor and FCDO.

In year 2021, we received funding of $1,323k from FCDO and $200k from Medicor towards the Liberia 2 programme.

(q) Unilever programme
Funding from Unilever that will be used for a future programme in India.

14 Reconciliation of net loss to net cash flow from operating activities

	2021 $'000	2020 $'000
Net loss for the reporting period (as per the statement of financial activities)	**(21,607)**	(19,316)
Depreciation charges	**26**	26
Interest income	**(33)**	(109)
Decrease/(Increase) in debtors	**4,074**	19,633
Increase / (decrease) in creditors	**16,502**	(868)
Net cash provided by operating activities	**(1,038)**	(634)

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods. These leases relate to property.

	2021 $'000	2020 $'000
Less than one year	**75**	134
Years two to five	**-**	279
	75	413

16 Legal status of the charitable foundation

The charitable foundation is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to $1.35 (£1).

17 Related party transactions

One trustee of the charitable foundation was a senior employee of CIFF during the year. The charitable foundation received $0.8m of income from CIFF (2020: $3.6m) during the year.

One trustee of the charitable foundation is a partner of the legal firm BDB Pitmans. The Power of Nutrition paid $138,755 (2020: $81,443) in legal fees to BDB Pitmans in the year. All transactions were at an arm's length basis.