

Company number: 3213889
Charity Number: 1056731

Medair UK

Report and financial statements
For the year ended 31 December 2022

Contents

For the year ended 31 December 2022

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Medair UK

Reference and administrative information

For the year ended 31 December 2022

Company number 3213889
Country of incorporation United Kingdom

Charity number 1056731
Country of registration (England & Wales, Scotland or Northern Ireland)

Registered office and operational address 333, Canterbury Court
1 – 3 Brixton Road
London
SW9 6ED

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

| | |
|---------------------|---|
| Christine Brindley | Co-Chair (appointed co-chair 19 th May 2022 through to 25 th November 2022) |
| Iain Evans | (appointed 8 th September 2022) |
| Habtamu Ewnie | (appointed 8 th September 2022) |
| Andrew Howe | Co-Chair (appointed co-chair 24 th February 2022 until 25 th November 2022) |
| Tim Mungeam | Chair (until 24 th February 2022, resigned 19 th May 2022) |
| Rita McIntyre-Pantz | |
| Shelley Pigott | Co-Chair (appointed co-chair 24 th February 2022 until Stepped down 19 th May 2022) |
| Peter Wilson | Chair (appointed 25 th November 2022) |

Key management personnel Neil Casey Director (resigned 31st May 2022)
Edward Woods Director (appointed 1st August 2022)

Bankers HSBC
1 High Street
Harpenden
Hertfordshire
AL5 2RS

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

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

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Introduction from the Chair

This is my first Annual Report as the Chair of Medair UK. I took over the role at the end of last year and would like to express my gratitude and appreciation to the previous interim Chair and Board of Trustees who have led us well through a time of uncertainty and a change in leadership.

Briefly reflecting on 2022 is helpful in recognising the substantial achievement of growth during such turbulence, where Medair reached over 4.6 million people with essential humanitarian relief in 14 of the hardest to reach places in the world.

February 2022 sadly saw the invasion of Ukraine, where Medair were first responders. The immediate generosity of UK supporters accelerated the reach of our Global Emergency Response Team, and today Medair's specialist teams continue to deliver life-saving care to the people and communities devastated by this conflict.

Rising fuel costs, consecutive changes in government leadership, increases in interest rates, global market losses, national strikes and higher inflation, have created an atmosphere of financial anxiety for many. Perhaps unsurprisingly charitable giving was down 14% (CAF 2021/22 Annual Report) and yet we have seen growth of 48% over the same period. This is extraordinary on two levels, first our gratitude, thanks and praise to a living God who cares and loves His people without condition and stirs a generous response in money and time, but also to those who sacrificially give and serve Medair to uphold the value of human life and come alongside people, recognising their dignity and bringing life changing hope.

Given the challenging context, we have had to be prudent with our cost base, efficient in our ways of working and expedient in our delivery of funds and service to field. This has been led well with arrival of a new Director for Medair UK Edward Woods. Building on the strong foundation and momentum that Neil Casey nurtured and who we recognise and thank, Edward has started energetically and strategically to craft a new focus on building greater awareness and mutuality with the church and in the UK.

The results are impressive. Medair UK's contribution to field programmes for 2022 was £1,136,766. This represents a 30% increase in funding from 2021. The dynamic UK team has grown the whole spectrum of supporters – and we are so thankful for the new families, individuals,

Medair UK

Trustees' annual report

For the year ended 31 December 2022

trusts, foundations and churches choosing to trust Medair with their giving – an indicator of increasing financial sustainability for clearer future strategic planning.

Huge thanks to the dedicated and resilient UK team who have engineered this achievement through a time of significant change and uncertainty and new ways of working.

I would also like to thank an incredible Board of Trustees who give up much time, sharing their skills and vast experience to help support, provide wisdom and spiritual encouragement to the wider team. Particular thanks and recognition to Shelley Piggott who after 9 years on the UK Board and advising the International Board on fundraising had to complete her term. We also have two new joiners in Habtamu Ewnie, Director of Finance, Risk & Governance at Alpha International and Iain Evans Head of Global Distribution for Polar Capital who upskill our financial governance to a new standard.

Please read further into this compelling story, you can't avoid being moved to learn more or to inspire others to get involved in Medair's work. For more information, news and stories visit our website www.medair.org.

Peter Wilson
Chair, Medair UK

Purposes and aims

Objects

Medair UK's objects are to relieve human need, hardship and suffering in whatever parts of the world, particularly by means of mobilizing and deploying human and material resources to provide appropriate relief and aid to distressed populations, without racial, political or religious discrimination.

In keeping with these objects, Medair UK raises financial resources in support of the multi-sectoral relief and recovery projects co-ordinated by Medair, based in Switzerland.

Values

Integrity

We strive to live out our values and principles consistently at every level of the organisation, and in every location – from the most remote team to the global support office. Our desire is that, as we work together, our attitudes, words and actions will be true to Medair's vision and character.

Hope

We seek to bring hope to people devastated by crisis and caught in apparently hopeless situations. Together with the communities we serve, we strive to make sustainable improvements and increase their capacity to build a better future.

Compassion

We desire to relieve human suffering in times of crisis, disaster and conflict. We seek out people who are the most vulnerable, come alongside them and offer practical support through relief and recovery initiatives.

Accountability

We are committed to best practices in our management and operations, pursuing excellence in all that we do. We make ourselves accountable to our supporters, our staff, and those we serve, and seek input from them to help us improve our activities and procedures.

Dignity

We believe that each person is made in God's image and is therefore uniquely valuable and worthy of the highest respect. Consequently, we reach out to all in need, irrespective of their race, gender, religion, age or nationality. Wherever possible, we personalise our assistance, taking individual needs and circumstances into account, and respecting the dignity and independence of the people we serve.

Faith

Because we follow Jesus Christ, who taught that our highest goal is to love God and to care for those in need, we are motivated to care for those who suffer. Our faith inspires us to give our best in all circumstances. By faith, we pray for wisdom when facing difficult decisions, and for courage to live and work in demanding and often dangerous situations.

Joy

As we work together to serve people in great need, we choose to nurture life-giving joy that comes from our Creator and gives us strength in the midst of the challenges we face and the suffering we encounter. Therefore, we seek to be thankful, to be united and at peace with one another, to share our burdens with and encourage one another, and to celebrate together.

Objectives and activities

The charity's main activities and beneficiaries are described below. All Medair UK's charitable activities focus on the provision of financial resources in support of the multi-sectoral relief and recovery projects co-ordinated by Medair, and are undertaken to further Medair UK's charitable purposes for the public benefit.

Medair UK is an affiliate office of the International Christian Humanitarian organisation Medair, based in Switzerland. A covenant of partnership, a voluntary agreement signed by Medair UK in July 2021, defines the relationship between Medair UK and Medair. Under the terms of the covenant Medair UK commits to focus its activities in the UK predominantly on raising funds from non-governmental sources, mobilising prayer and assisting in the recruitment of Medair staff as appropriate.

Medair UK delivers these objectives and activities, with the express aim of helping to deliver the global Medair "People to People" strategy. This strategy aims to reach 4 million people in need and have 1 million people engaged in Medair's mission by 2022. During 2022 Medair reached 4,632,560 people in need of humanitarian assistance around the world and engaged 1,134,346 people around the world in its mission. Medair UK contributes to the global engagement target. In 2022 Medair UK had a target to engage 14,300 people in the global mission. The actual number Medair UK engaged was 13,302, 7% below target principally due to reducing our print mailing distributions.

Following the new appointment of Anne Reitsema as CEO of Medair we have extended the "People to People Strategy" through to end of 2023 during which time a refreshed global strategy to serve Medair and Medair UK will be designed.

Main Activities

The trustees review the aims, objectives and activities of Medair UK each year. The trustees also refer to the guidance contained in the Charity Commission's general guidance on public benefit. The review helps ensure that Medair UK's activities remain focussed on its stated purposes and are aligned with and supporting the delivery of Medair UK's strategic objectives. This report details the extent to which Medair UK delivered its goals in 2022, and the benefits the charity has brought to those groups of people it is set up to help.

Raising Funds

Medair UK raises funds from three main groups of supporters. These are individuals, trusts and foundations and churches. In the year ending 31st December 2022, Medair UK raised £1,128,257 from non-governmental sources. This included £563,941 from individuals, £510,450 from trusts and foundations, and £44,492 from churches. 2022 private income raised of £1,128,257 represents a 48% increase on funds raised in 2021.

During 2022 Medair UK was able to support 12 of Medair's 14 country programmes. The majority of Medair UK's funding went to four countries; Ukraine, Yemen, Somalia and Madagascar.

In the hours after the war started in Ukraine, Medair deployed an emergency response team to Poland and Ukraine. We were able to mobilise our supporters in the UK to provide much needed humanitarian assistance for those fleeing their homes and later in the year towards the rehabilitation of critical health infrastructure across Ukraine. We are so thankful for the generosity of all our supporters that gave over £340,000 towards our Ukraine Appeal, and specifically the partnership of The Alborada Trust, Grant Foundation and All We Can.

In addition to responding to these high-profile emergencies Medair UK continued to make our supporters aware of ongoing crises in Yemen, the devastating impact of drought across the Horn of Africa, and other Medair programmes too. And our supporters continued to respond through numerous financial donations enabling Medair to provide lifesaving humanitarian assistance to some of the world's most vulnerable in some of the hardest to reach places on earth.

Mobilising Prayer

Medair UK plays a full and active role in the Medair prayer network. Through the year we continued to build on our monthly prayer email that was launched in 2021, ensuring that this both informs our supporters about specific situations and inspires them to respond in prayer. We know that prayer is important for our supporters as 61% of those who donate to Medair told us they also pray for Medair, and we are committed to finding new ways of mobilising prayer across the UK.

Assist in the recruitment of field staff for Medair.

The role of Medair UK in this area has de-prioritised over the last two years. We support the recruitment of field staff as and when opportunities arise and as we increase the brand awareness of Medair in the UK we expect to see an increase in enquiries, referrals and overall interest in working with Medair.

Beneficiaries of our services

Globally Medair helps people who are suffering in remote and devastated communities survive crisis, recover with dignity, and develop skills to build a better future,

During 2022, Medair co-ordinated field operations in 14 countries and directly assisted 4,632,560 people.

Medair UK supports this work through raising funds, mobilising prayer, and assisting with the recruitment of staff as appropriate.

Medair UK was able to provide financial support to twelve of Medair's programmes, namely Afghanistan, Democratic Republic of Congo, Ethiopia, Jordan, Lebanon, Madagascar, Poland, Somalia, South Sudan, Sudan, Ukraine and Yemen.

71% of Medair UK's financial contribution in 2021 went to support Medair's programmes in the following countries; Madagascar, Somalia, Yemen and our emergency response in Poland and Ukraine.

UKRAINE

"We saw tanks, we heard explosions. Frightened people ran through the streets to find a place to hide. They knocked on the door and asked us to stay. And so, within a few days, 170 people were living together in the shelter of our church," said Serhiy. The church was a safe place for people from aged six months up to 92 years.

"Two weeks earlier we announced that if a conflict suddenly began, people could come to the church and stay there. We bought water, food, and a generator in advance. We thought this will end very quickly, and expected about 50 people would come. We had supplies only for 2 days," said Serhiy

"At first there was no problem with food, but as our numbers grew we were afraid that we would not have anything to feed everyone. When there was no food left at all, during shelling my wife went with a deacon to collect food from the houses of people who were in the basement. We were very worried about running out of bread. But God helped us. That evening, someone left a large bag of buns near the fence of the church," Serhiy said.

Serhiy spoke of the things he saw in the streets of Bucha, and needing to find more food. "I took food from destroyed shops, but it had already been spoiled. We had to eat it because there was nothing else," Serhiy said with sadness in his eyes.

"We lived in the shelter for 14 days but realized that we could no longer stay here. We needed to be saved. We placed everyone in cars and drove them in one column. It was called a "green corridor". I prayed to God for everyone to survive," Serhiy said.



"We saw bodies lying on the road or inside cars. My wife covered the eyes of our 4-year-old daughter with her hands so that she would not see this horror. We learned that our apartment had burned down. Everything we had disappeared in a moment," said Serhiy.

Serhiy and his family returned home as soon as possible, about a month later. Since their home had been destroyed, they lived in the basement of the church. Medair arrived in Bucha very soon after the area was de-occupied. Houses in the area were without electricity or water, and many had been damaged or looted. The church remained a place where people came to find help, and our team installed a washing machine, dryer, gas stove, microwave and dishwasher for the kitchen in the Vifaniia Church. Training in Psychological First Aid was provided for people who were helping others.

"These sessions were very helpful, especially for me. A woman came to the church and said to me: 'Before my eyes, my husband was killed.'" This is not uncommon, and now I know how to communicate with these people and how to help them with it. I always say that we are in this together," Serhiy said.

In the hours after the conflict started in Ukraine, Medair deployed an emergency response team to Poland and Ukraine. Since then, Medair has been responding to the urgent and critical needs of the Ukrainian refugees entering Poland, and the affected population who are being forcibly displaced within Ukraine. In all we have reached a total of 396,147 people in Poland and Ukraine, covering their needs in health, shelter, mental health & psychosocial support services and water, sanitation & hygiene (WASH). Medair handed over projects to the local government and NGOs in Poland at the end of March 2023 to focus our continued response on Ukraine.

MADAGASCAR

Madagascar faces natural disasters each year that affect thousands of people, with an average of 1.5 cyclones making landfall each year, the highest number in Africa. Each strong cyclone on average affects 700,000 people. Madagascar's crises routinely fly under the radar, with few humanitarian NGOs present to respond to people's needs.

On Saturday 5 February 2022, Cyclone Batsirai devastated eastern Madagascar. Strong winds and torrential rains devastated the town of Mananjary and areas on the southeast of the island, displacing nearly 70,000 people – more than 100,000 were affected in total. 95% of the town of Manjaray was destroyed by Cyclone Batsirai.

Our national Emergency Response Team was on high alert when the hurricane hit the coast and were on the ground in devastated communities within 72hrs. With the rising floodwaters, and without access to safe drinking water, one of the main risks to communities is the easy spread of waterborne diseases. Within days, a supporting team of WASH (water, sanitation and hygiene) experts arrived from our international team to assess the damage and determine what WASH interventions were needed to restore access to safe drinking water.

Our Emergency Response Team were operational for three months following cyclone Batsirai, responding directly as well as through local community groups and churches; rehabilitating safe water points, delivering WASH kits (including buckets, cups, soap) and shelter kits (including tarpaulins, blankets, ropes) to the most vulnerable community members.

Medair are proud to have been active in Madagascar since 2002, delivering health and nutrition interventions, rapidly responding to natural disasters and working closely with government and local partners to build Disaster Risk Reduction (DRR) capacities at a national level.



SOMALIA

"As Jamilah lost her energy more and more, I noticed something was wrong. She lost weight and appetite," shares mother Khadra. "I brought her because this clinic is well known for its good and free treatment. Many children here are malnourished and were cured in this health clinic. This was the first place I thought about to bring my baby. I have trust that you will know how to treat Jamilah and make her strong again."

In the nutrition clinic in this health facility supported by Medair, little Jamilah gets screened for malnutrition with the mid-upper-arm-circumference method. As the measurement indicates red, she is acutely malnourished and needs immediate treatment in the nutrition programme. Here, during an appetite test, she gets her very first Plumpy'Nut – a high-calorie therapeutic food – and she likes it.

In Southern Somalia, Medair supports the operation of several health facilities run by local partners through the provision of life-saving water, sanitation and hygiene (WASH) facilities, health and nutrition services, training of staff, paying their salaries and rehabilitating hospital infrastructure. Community health activities are supported in the same districts where the health facilities are located. Protection activities include the provision of child-friendly play areas at supported health facilities and specific group based psychosocial support activities.

This year Medair is marking 10 years of continuous response in Somalia. However, as Somalia enters 2023 the humanitarian situation continues to deteriorate. Severe drought, hunger, disease and violence merge to bring Somalia to the brink of famine. An estimated 8.25 million people require humanitarian assistance.



YEMEN

In the Al Dhale'e Governorate in the southwest of Yemen, every day can be a fight for survival. Almost half of the healthcare facilities in the district are inoperative or run at a reduced capacity. This is because of reduced staffing and a lack of essential medicines and supplies.

In response to the situation in Yemen, Medair provides vital health and nutrition services through running and rehabilitating clinics and reaching the wider community through eight mobile outreach teams. Each outreach team drive hours to rural areas, traversing dangerous, rocky terrain to reach families who would otherwise have no access to health and nutrition services. Each team comprises a doctor, assistant doctor, midwife and pharmacist, providing primary and emergency health and nutrition services.

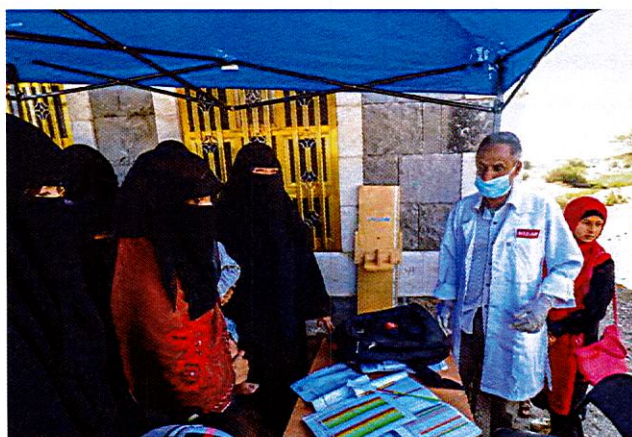
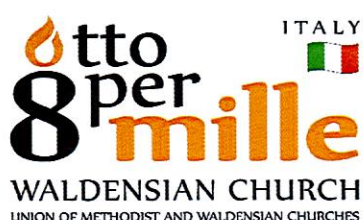
During one visit the team met Riham, with her 14 month old child in her arms.

"I don't know what would have happened to my child if the team didn't come. Most of the children in the village have malnutrition. We don't have enough money to buy essential food items, that is why we eat what is available. Variety in food is not an option for us. The situation was different before the conflict started. I used to be a teacher. Because of the conflict, we had to flee our village, which is now a frontline in the north of Al Dhale'e," says Riham.

Elsewhere during the visit, Dr Taha the general physician (*pictured below*) and his team were very busy seeing patients.

"We see about 60 to 80 patients per day for different primary health care services, including screening children for malnutrition, providing antenatal care, postnatal care, family planning services, and health consultations for different age groups. We never leave the site until we make sure that everyone has got the treatment they need and are satisfied", says Dr Taha. The eight outreach teams give treatment, provide check-ups and examine over 800 people weekly. No two days are the same. On one day, the team meets a patient with a chest infection, while on another day someone comes for a review of their diabetes.

We are thankful for the funding and partnership of the Otto per Mille of The Waldensian Church and other private donors towards our ongoing response to the emergency health needs in Yemen.



Financial review

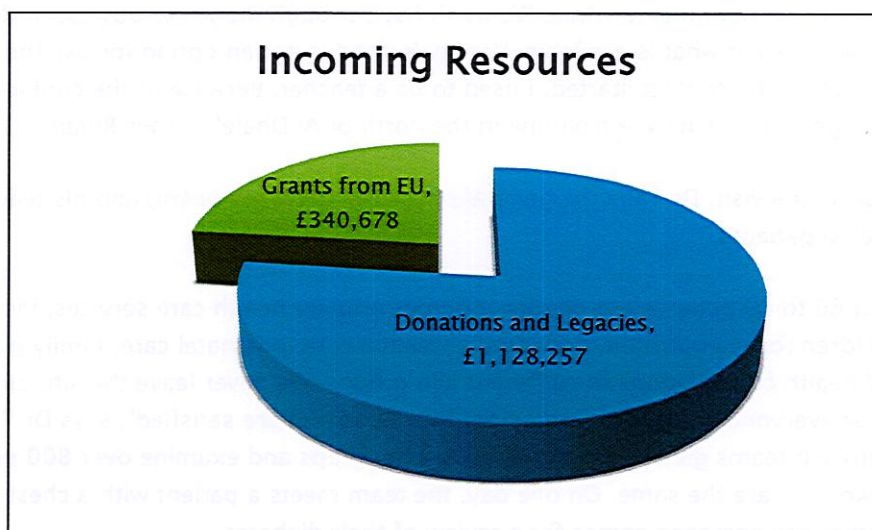
Medair UK's financial management goals in 2022 were to generate increased financial contribution to Medair's programmes, release that funding more rapidly, replenish unrestricted reserves where possible and to improve financial sustainability through increased recurring unrestricted funding. These goals have been fully met.

Incoming resources

Total income for the year amounted to £1,468,935. This compares to total income in 2021 of £1,129,616. The difference is largely due to the increase in restricted funds received as a result of our Emergency appeal for Ukraine.

Of particular note, has been the continued growth in the number of new donors to Medair UK with 276 people giving a first-time gift. Furthermore, we remain very thankful for all those that give a monthly gift to Medair. Combined, these individuals, families and churches gave over £103k towards enabling Medair teams to respond wherever and whenever disaster strikes.

Please see notes 2 and 3 for details.



Resources expended

Total expenditure for the year was £1,462,852, £357,645 more than in 2021. This increase in expenditure is largely explained by the increased level of MADAD grant funding in 2022. In addition to the final £390,764 MADAD funds transferred to Medair, Medair UK made a further contribution to Medair's humanitarian programmes of £764,003. This is 73% higher than the contribution made by Medair UK in 2021. This increase was achieved through a combination of increased funds raised and expenditure management. The Medair UK board set an overall

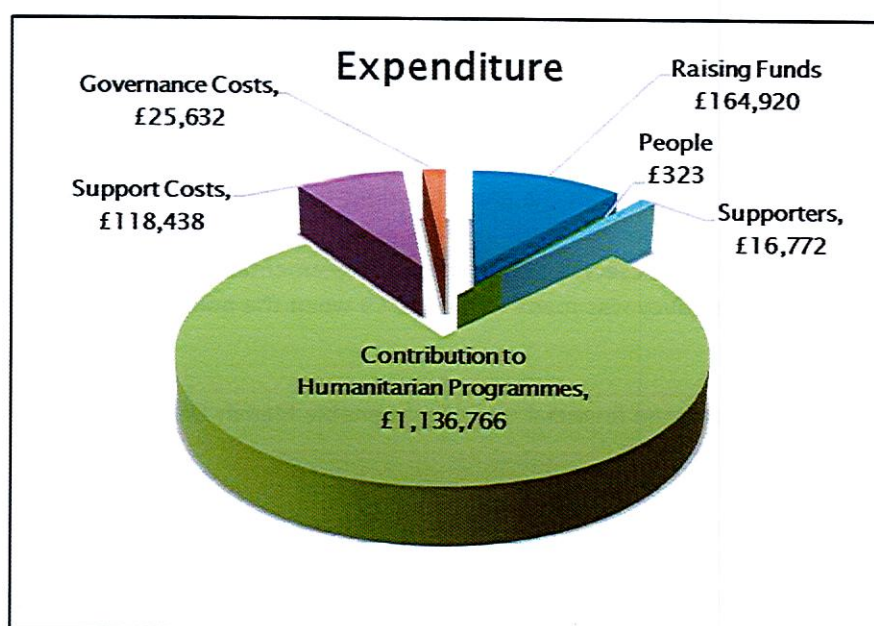
Medair UK

Trustees' annual report

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expenditure limit for 2022 of £374,647, an increase on 2021 to allow for growth. However, continuing the intention of reducing expenditure where possible to improve the cost efficiency of Medair UK's fundraising, marketing and communications activities, the actual 2022 operational expenditure was £326,085, 12% lower than budget.

Please see note 4a for details.



Funds

We closed the year with total funds of £223,343. This is £7,817 more than the previous year. During the year there was a deliberate intention to continue to release funds restricted to support Medair's humanitarian programmes as soon as possible. Nearly 97% of funds of received in the year for Medair's programmes were transferred to Medair in the year. Of the total funds held at year end, £33,821 are restricted funds yet to be transferred. Unrestricted funds at year end stood at £189,522, an increase of £66,792 in the year. This represents 26 weeks operating expenditure. The remaining restricted funds held and the proportion of the unrestricted funds over and above Medair UKs reserve policy limit, will be transferred to Medair programmes in 2023.

Principal risks and uncertainties

Medair UK is committed to the highest standards of integrity, quality and professionalism in all aspects of its work. Throughout 2022, the trustees and the Director continued to review the demands on the organisation and ensured the mitigation and management of the risks it faces. Whilst the responsibility for monitoring the management of risks rest with the Medair UK board, the detailed review of the risk register falls within the remit of the Governance and Risk Committee, a sub-committee of the board. The Governance and Risk Committee meets regularly and reports directly to the Medair UK board. Medair UK holds a risk register which identifies the

strategic risks faced by Medair UK, assessing those risks according to their likelihood and potential impact, and identifies actions for management to mitigate the effect of those risks on Medair UK's operations. The risk register is reviewed at every Medair UK board meeting.

During 2022 the Trustees considered the principal strategic risks to be related to staffing, governance, funding, financial management, infra-structure, compliance with regulatory requirements, relationship with Medair, and reputational risk.

Reserves policy and going concern

Any funds accepted from private or institutional donors which provide for a specific restriction are always honoured. These funds are recorded as restricted funds and are accounted for separately. All such funds allocated for specific field operations, are transferred to Medair (Switzerland) for use in the appropriate programme, once appropriate costs for expenditure incurred by Medair UK for raising these funds have been deducted. All general funds are first used to meet operational needs of Medair UK, in accordance with the annual budget approved by the Medair UK board.

The Medair UK board keeps the reserves policy, and its implementation, under regular review. The most recent revision to the policy was made in May 2019 when the policy was adjusted to the following:

"The charity will hold unrestricted financial reserves to enable Medair UK's activities to continue for a period of three months."

Considering the current challenges in the financial and fundraising climate, the Medair UK board felt it prudent to temporarily increase the amount of unrestricted financial reserves held from 3 months to 4 months for the next 12 months. By doing this, it is confident that any potential impact of reduced funding levels will be mitigated and so the reserves policy continues to provide the appropriate guidance for the management of Medair UK's financial reserves.

In order to continue for a period of four months, Medair UK needs to hold unrestricted financial reserves equivalent to seventeen weeks of staff costs, seventeen weeks costs associated with the administration of the charity's business and six months of accommodation costs in accordance with Medair UK's office lease.

Applying the reserves policy to the 2023 operating budget of £379,942 the reserves target for year ending 31st December 2022 was £124,212. Medair UK was holding £189,522 of unrestricted general funds at the beginning of 2023, 152% of the reserve target.

At year end, Medair UK was holding the equivalent of 26 weeks operating costs in unrestricted reserves. The unrestricted reserves position has improved further in the first quarter of 2023. At time of writing Medair UK is holding £227,031 in unrestricted funds. This is the equivalent of 31 weeks operating costs. The Medair UK board will designate a proportion of any surplus unrestricted funds for internal investment to support the development of Medair UK's capacity and

Medair UK

Trustees' annual report

For the year ended 31 December 2022

systems. They will also designate a proportion of any surplus unrestricted reserves as additional financial contribution to Medair's programmes, targeting these funds to where the need is greatest.

The Medair UK board is confident that all reasonable measures are being taken to ensure Medair UK's ongoing financial resilience. It is the view of the Medair UK board that Medair UK is a going concern. The Medair UK board signs off the financial statements for year ending 31st December 2022 on that basis and will continue to monitor Medair UK's financial resilience in 2023, and will take appropriate action, as appropriate if necessary.

Fundraising

Medair UK's primary activity is to raise fund to support Medair's work to help people who are suffering in remote and devastated communities around the world survive crisis, recover with dignity, and develop skills to build a better future. It does this by generating financial support from individuals, trusts and foundations, churches and corporate entities through a variety of means. Medair UK is regulated by the Fundraising Regulator and abides by the Code of Fundraising Practice: www.fundraisingregulator.org.uk/code. Medair UK is also regulated by the Information Commissioners Office (ICO) and complies with GDPR on the handling of supporter data: <https://ico.org.uk/for-organisations/>. Medair UK didn't receive any formal complaints in 2022.

Medair UK takes its responsibilities to its supporters and beneficiaries seriously. It has a comprehensive policy framework which ensures its practices are ethical and in keeping with the organisation's values: <https://www.medair.org/accountability/>

Plans for the future

We continue to work cooperatively with the executive leadership team of Medair International and the Covenant of Partnership that has been agreed between the two organisations. Following the change in Director at Medair UK the team took time to refresh our strategy towards 2025 and the team feel confident they will be able to exceed the target contributing £1million annually to Medair programmes by 2025.

The refreshed strategy focuses on developing tactics and opportunities for the following key revenue streams:

1. Major Donors
2. Trusts and Foundations
3. Individuals
4. Churches
5. Legacy

Our revised target is for Medair UK to be raising £1.7m 2025 with increased income from Major Donors (76% growth), Trusts and Foundations (44% growth), Individuals (21% growth) and Churches (56% growth). Legacy income is a new area for Medair UK, and we would not anticipate any significant increase in the short-term.

Underpinning these Income Generating Tactics are the Supporting Activities

1. Marketing and Communications
2. Website Development
3. Prayer Support
4. Fundraising Operations
5. Alumni and Staff Engagement
6. Recruitment

Beyond raising vital income for our country programmes Medair UK does want to see a growing and flourishing network of people praying, and through increasing our brand awareness and engagement with churches we hope to see an uplift in people applying to work with Medair in our international programmes.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 19 June 1996 and registered as a charity on 11 July 1996.

The company was established under a memorandum of association that established the objects and powers of the charitable company and is governed under its articles of association.

Medair UK Board of Trustees

Medair UK is governed by a board of trustees. In 2022 the Medair UK Board was made up of six trustees. The Director also acts as Company Secretary. The Chair, Secretary and other trustees are appointed by the Medair UK members by way of ordinary resolution at AGM. Trustees serve for a term of three years, with a maximum of three terms to be served.

Before appointing to the Board, existing trustees carry out a self-assessment process to identify areas for development and expertise desirable in new Board members. The trustees consider the attributes they believe to be most relevant in ensuring that the trustee body is best able to serve the charity's beneficiaries. The Board recruits and appoints new trustees by way of soliciting expressions of interest through Medair supporter networks. Prospects are assessed by way of an application and interview process. Upon approval, successful applicants are appointed to the Board by way of ordinary resolution by Medair UK members at the next AGM.

Trustees give their time on the Board voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity during their Board membership is set out in note 9 to the accounts. In an exceptional circumstance, the charity remunerated one trustee in 2022 in their position as a consultant to cover the interim period of 2 months between Director transition. This was agreed in the best interests of the Charity and a total payment of £6,750 was made for consultancy services with no other benefits provided.

Related parties and relationships with other organisations

Medair UK is affiliated to Medair, a humanitarian organisation, inspired by Christian faith to relieve human suffering in the some of the world's most remote and devastated places. One of the Medair UK trustees, Peter Wilson, is also a member of the Medair International Board of Trustees.

Organisation structure

In 2022, Medair UK's Board of trustees oversaw the work of the Director, staff team and volunteers, delegating responsibility for day-to-day decision-making to the Director.

Remuneration policy for key management personnel

The responsibility for determining staff salaries for the tax year ahead lies with the Medair UK board. They delegate this responsibility to the resources committee, who make a recommendation to the Medair UK board for the remuneration award within the tax year. Remuneration is rewarded after considering:

- The purposes, aims and values of the charity and its beneficiary needs
- The types of skills, experiences and competencies that the charity needs from its senior staff, technical staff and the specific scope of these roles in the charity
- The charity's current business plan and how the implementation of this plan may affect the number of staff the charity needs to employ or recruit

- The charity's ability to pay; this includes the cost to the charity of raising pay, and whether it is sustainable, and how appropriate the level of pay, and any pay increase, is in the context of the charity and the economic climate
- Appropriate available information on pay policies and practices in other organisations that can help make the decision on whether a level of pay is fair and reasonable.

Statement of responsibilities of the trustees

The trustees (who are also directors of Medair UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and 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 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
- 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 proper 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 relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2021 was six (2019: six). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Medair UK

Trustees' annual report

For the year ended 31 December 2022

Auditor

Auditors for 2022 are yet to be appointed. An audit tender process is being conducted, with a recommendation on the appointment of Medair UK's auditors to be considered at the Medair UK annual general meeting in September 2023.

The trustees' annual report which includes the strategic report has been approved by the trustees on 25th May 2023 and signed on their behalf by

Peter Wilson
Chair

Opinion

We have audited the financial statements of Medair UK (the 'charitable company') for the year ended 31 December 2022 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 2022 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 Medair UK'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.

Independent auditor's report

To the members of

Medair UK

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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. 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor's report

To the members of

Medair UK

company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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 and the board of Trustees, 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.

Independent auditor's report

To the members of

Medair UK

- 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.

Jonathan Orchard (Senior statutory auditor)
11 July 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

| | Note | Unrestricted £ | Restricted £ | 2022 Total £ | Unrestricted £ | Restricted £ | 2021 Total £ |
|--|------|-------------------|------------------|--------------------|-------------------|-----------------|--------------------|
| Income from: | | | | | | | |
| Donations and legacies | 2 | 380,955 | 747,302 | 1,128,257 | 269,031 | 491,566 | 760,597 |
| Charitable activities | | | | | | | |
| Grants from EU | 3 | - | 340,678 | 340,678 | - | 367,332 | 367,332 |
| Covid Job Retention Scheme | | - | - | - | 1,687 | - | 1,687 |
| Total income | | 380,955 | 1,087,980 | 1,468,935 | 270,718 | 858,898 | 1,129,616 |
| Expenditure on: | | | | | | | |
| Raising funds | | 82,324 | 100,613 | 182,937 | 114,278 | 73,202 | 187,480 |
| Charitable activities | | | | | | | |
| People | | 358 | - | 358 | 90 | - | 90 |
| Supporters | | 18,604 | - | 18,604 | 11,395 | - | 11,395 |
| Contribution to humanitarian | | 124,186 | 1,136,766 | 1,260,952 | 99,122 | 807,120 | 906,242 |
| Total expenditure | 4a | 225,473 | 1,237,379 | 1,462,852 | 224,885 | 880,322 | 1,105,207 |
| Net (expenditure)/income for the year | 6 | 155,482 | (149,401) | 6,083 | 45,833 | (21,424) | 24,409 |
| Transfers between funds | | (90,437) | 90,437 | - | - | - | - |
| Net (expenditure)/income before other recognised gains and losses | | 65,045 | (58,964) | 6,083 | 45,833 | (21,424) | 24,409 |
| Other gains / (losses) | | 1,736 | - | 1,736 | (3,614) | - | (3,614) |
| Net movement in funds | 15a | 66,781 | (58,964) | 7,817 | 42,219 | (21,424) | 20,795 |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 122,741 | 92,785 | 215,526 | 80,522 | 114,209 | 194,731 |
| Total funds carried forward | | 189,522 | 33,821 | 223,343 | 122,741 | 92,785 | 215,526 |

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 27a to the financial statements.

Medair UK

Balance sheet

Company no. 3213889

As at 31 December 2022

| | Note | £ | 2022 £ | £ | 2021 £ |
|--|------|----------------|----------------|----------------|----------------|
| Fixed assets: | | | | | |
| Tangible assets | 11 | | 3,609 | | - |
| | | | <u>3,609</u> | | <u>-</u> |
| Current assets: | | | | | |
| Debtors | 12 | 20,970 | | 22,234 | |
| Cash at bank and in hand | | 223,762 | | 206,838 | |
| | | <u>244,732</u> | | <u>229,072</u> | |
| Liabilities: | | | | | |
| Creditors: amounts falling due within one year | 13 | (24,997) | | (13,546) | |
| | | | | <u></u> | |
| Net current assets | | | 219,736 | | 215,526 |
| Total net assets | 15a | | <u>223,343</u> | | <u>215,526</u> |
| The funds of the charity: | | | | | |
| Restricted income funds | | | 33,821 | | 92,785 |
| Unrestricted income funds: | | | | | |
| General funds | | 189,522 | | 122,741 | |
| | | <u></u> | | <u></u> | |
| Total unrestricted funds | | | 189,522 | | 122,741 |
| Total charity funds | | | <u>223,343</u> | | <u>215,526</u> |

Approved by the trustees on 25 May 2023 and signed on their behalf by

Peter Wilson
Chair

Statement of cash flows

For the year ended 31 December 2022

Reconciliation of net expenditure to net cash flow from operating activities

| | 2022 £ | 2021 £ |
|---|---------------|---------------|
| Net income for the reporting period (as per the statement of financial activities) | 6,083 | 24,410 |
| Depreciation charges | 1,031 | 563 |
| Interest income | – | – |
| Decrease in debtors | 1,264 | (1,418) |
| Increase in creditors | 11,450 | (2,762) |
| Net cash from operating activities | 19,829 | 20,793 |

| | Note | 2022 £ | £ | 2021 £ | £ |
|--|------|-----------|----------------|-----------|----------------|
| Cash flows from operating activities | | | | | |
| Net cash from /(used in) operating activities | | | 19,829 | | 20,793 |
| Cash flows from investing activities: | | | | | |
| Purchase of Assets | | (4,642) | | | |
| Net cash from investing activities | | | (4,642) | | 0 |
| Change in cash and cash equivalents in the year | 16 | | 15,187 | | 20,793 |
| Cash and cash equivalents at the beginning of the year | | | 206,838 | | 189,659 |
| Change in cash and cash equivalents due to exchange rate movements | | | 1,736 | | (3,614) |
| Cash and cash equivalents at the end of the year | | | 223,762 | | 206,838 |

Medair UK

Notes to the financial statements

For the year ended 31 December 2022

1 Accounting policies

a) Statutory information

Medair is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 333 Canterbury Court, 1–3 Brixton Road, London SW9 6DE.

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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) 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

In the trustees' report there is a review of financial performance and of the charity's reserves position. During the financial year ending 31st December 2021 there was an increase in unrestricted reserves. This resulted in further minimising any temporary reliance on restricted reserves for working capital. A further assessment of the risks associated with Medair UK's financial viability resulting from the Covid-19 pandemic has been undertaken. In the light of that risk assessment the trustees are of the opinion that there are adequate financial reserves and resources and the charity is well placed to manage business risks. The risk review process, and the financial projections made following the review, have taken into consideration the current economic climate and the potential impact on Medair UK's various sources of income and planned expenditure. The trustees are of the view that it is a reasonable expectation that there are adequate resources to continue operating for the foreseeable future.

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) Income

Income is recognised when the charity 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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) 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.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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 monetary contributions to Medair (Switzerland) humanitarian aid programmes, supporting and promoting the recruitment of humanitarian aid workers, exhibitions, presentations and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

1 Accounting policies (continued)

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

| | |
|---------------------------|-----|
| ● Fundraising | 12% |
| ● People | 1% |
| ● Supporters | 2% |
| ● Humanitarian programmes | 85% |

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

l) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £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.

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:

| | |
|-------------------------|---------|
| ● Fixtures and Fittings | 5 years |
| ● Office Equipment | 5 years |
| ● Computer Equipment | 3 years |

n) 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.

o) 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.

1 Accounting policies (continued)**p) Creditors and provisions**

Creditors and provisions are recognised where the charity 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.

q) Pensions

The charity offers a defined benefit pension through the government pension scheme National Employment Savings Trust (NEST). Employees are automatically enrolled into a NEST scheme into which Medair will pay employer contributions equal to 8% of each employee's gross salary on a monthly basis.

r) Foreign Exchange Policy

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate of exchange in the month of the transaction. All exchange rate differences are taken to the Statement of Financial Activities (SOFA).

2 Income from donations and legacies

| | Unrestricted £ | Restricted £ | 2022 Total £ | Unrestricted £ | Restricted £ | 2021 Total £ |
|-------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Gifts | 380,955 | 747,302 | 1,128,257 | 269,031 | 491,566 | 760,597 |
| | <u>380,955</u> | <u>747,302</u> | <u>1,128,257</u> | <u>269,031</u> | <u>491,566</u> | <u>760,597</u> |

During the year, the charity received gifts from private individuals, churches, corporates and Trusts and Foundations. Medair UK received no donated services during the year.

3 Income from charitable activities

| | Unrestricted £ | Restricted £ | 2022 Total £ | Unrestricted £ | Restricted £ | 2021 Total £ |
|---|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| EU Trust Fund (Madad) – Syrian refugees | – | 340,678 | 340,678 | – | 367,332 | 367,332 |
| | <u>–</u> | <u>340,678</u> | <u>340,678</u> | <u>–</u> | <u>367,332</u> | <u>367,332</u> |

Medair UK

Notes to the financial statements

For the year ended 31 December 2022

4a Analysis of expenditure (current year)

| | Charitable activities | | | | | | 2021 Total £ |
|---|----------------------------------|-------------|-----------------|---|--------------------------|-----------------------|--------------------|
| | Cost of raising funds £ | People £ | Supporters £ | Contributions to humanitarian programmes £ | Governance costs £ | Support costs £ | |
| Staff costs (Note 7) | 142,475 | - | 13,367 | - | 16,079 | 39,209 | 205,388 |
| Recruitment of UK staff | - | 323 | - | - | - | 1,248 | - |
| Volunteer expenses | - | - | - | - | - | - | 220 |
| Marketing and events | 14,669 | - | - | - | - | - | 14,208 |
| Donations transferred to Medair (Switzerland) | - | - | - | 746,002 | - | - | 439,788 |
| Grants transferred to Medair (Switzerland) (Note 5) | - | - | - | 390,764 | - | - | 367,332 |
| Trustee and other governance costs | - | - | - | - | 253 | - | 1,578 |
| Audit | - | - | - | - | 9,300 | - | 7,680 |
| Professional fees | 3,406 | - | 3,406 | - | - | 18,381 | 33,170 |
| Financial expenses | - | - | - | - | - | 2,143 | 1,262 |
| Depreciation | - | - | - | - | - | 1,031 | 563 |
| Office expenses | - | - | - | - | - | 28,096 | 29,608 |
| Travel and subsistence | - | - | - | - | - | 4,101 | 606 |
| Supplies | 4,371 | - | - | - | - | 1,042 | - |
| Training and other personnel expenses | - | - | - | - | - | 23,187 | 3,805 |
| | 164,920 | 323 | 16,772 | 1,136,766 | 25,632 | 118,438 | 1,105,207 |
| Support costs | 14,811 | 29 | 1,506 | 102,092 | - | (118,438) | - |
| Governance costs | 3,205 | 6 | 326 | 22,094 | (25,632) | - | - |
| Total expenditure 2022 | 182,937 | 358 | 18,604 | 1,260,952 | - | - | 1,462,852 |
| Total expenditure 2021 | 210,470 | 22,654 | 24,125 | 1,325,447 | - | - | 1,105,207 |

Medair UK

Notes to the financial statements

For the year ended 31 December 2022

4b Analysis of expenditure (prior year)

| | Charitable activities | | | | | 2021 Total £ |
|---|----------------------------------|-------------|-----------------|---|--------------------------|-----------------------|
| | Cost of raising funds £ | People £ | Supporters £ | Contributions to humanitarian programmes £ | Governance costs £ | Support costs £ |
| Staff costs (Note 7) | 152,846 | - | 10,149 | - | 13,007 | 29,386 |
| Recruitment of UK staff | - | - | - | - | - | - |
| Volunteer expenses | - | - | - | - | - | 220 |
| Marketing and events | 14,128 | 80 | - | - | - | - |
| Donations transferred to Medair (Switzerland) | - | - | - | 439,788 | - | - |
| Grants transferred to Medair (Switzerland) (Note 5) | - | - | - | 367,332 | - | - |
| Trustee and other governance costs | - | - | - | - | 1,578 | - |
| Audit | - | - | - | - | 7,680 | - |
| Professional fees | - | - | - | - | - | 33,170 |
| Financial expenses | - | - | - | - | - | 1,262 |
| Depreciation | - | - | - | - | - | 563 |
| Office expenses | - | - | - | - | - | 29,608 |
| Travel and subsistence | - | - | - | - | - | 606 |
| Supplies | - | - | - | - | - | - |
| Training and other personnel expenses | - | - | - | - | - | 3,805 |
| | 166,974 | 80 | 10,149 | 807,120 | 22,265 | 98,620 |
| Support costs | 16,729 | 8 | 1,017 | 80,866 | - | (98,620) |
| Governance costs | 3,777 | 2 | 230 | 18,257 | (22,265) | - |
| Total expenditure 2021 | 187,479 | 90 | 11,395 | 906,242 | - | 1,105,207 |

Medair UK

Notes to the financial statements

For the year ended 31 December 2022

5 Grant making

| | Grants to institutions £ | 2022 £ | 2021 £ |
|----------------------------|--------------------------------|-----------|-----------|
| Medair (Switzerland) Madad | 390,764 | 390,764 | 367,332 |
| Total | 390,764 | 390,764 | 367,332 |

Grants totalling £390,764 were paid in in respect of Medair's work with Syrian refugees ('Madad').

6 Net incoming resources for the year

This is stated after charging/(crediting):

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Depreciation | 1,031 | 563 |
| Operating lease rentals: | | |
| Property | 23,149 | 22,032 |
| Auditor's remuneration (including VAT): | | |
| Audit | 9,300 | 7,680 |
| Foreign exchange (gains)/losses | (1,736) | 3,615 |

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

Staff costs were as follows:

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Salaries and wages | 181,298 | 177,214 |
| Social security costs | 14,529 | 13,722 |
| Employer's contribution to defined contribution pension schemes | 15,303 | 14,452 |
| | 211,129 | 205,388 |

No employee earned more than £60,000 during the year (2021: nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £60,734 (2021: £62,629).

Trustees' expenses represent the cost of servicing meetings of the trustees, totalling £253.27 (2021: £1,024.81). £15.90 of personal travel and subsistence costs were reimbursed during the period. (2021: £76.72)

Notes to the financial statements

For the year ended 31 December 2022

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as

| | 2022 No. | 2021 No. |
|---------------|-------------|-------------|
| Raising funds | 3.8 | 3.9 |
| Support | 0.7 | 0.8 |
| Governance | 0.2 | 0.1 |
| | 4.7 | 4.8 |

9 Related party transactions

The charity received trustee donations towards the work of Medair in the sum of £2,270 (2021: £1,780) of which £2,070 was for unrestricted funds. Donations were received in response to Medair UK-led fundraising activities during the year which formed part of the normal course of business.

The charity remunerated one trustee in their position as a consultant to cover the interim period of 2 months between Director transition. A total payment of £6,750 was made for consultancy services and no other benefits were provided.

10 Taxation

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

11 Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Office equipment £ | Total £ |
|--------------------------|-------------------------------|----------------------------|--------------------------|------------|
| Cost or valuation | | | | |
| At the start of the year | 2,519 | 63,399 | 6,791 | 72,709 |
| Additions in year | - | 4,640 | - | 4,640 |
| Disposals in year | (1,108) | (46,348) | - | (47,456) |
| At the end of the year | 1,411 | 21,691 | 6,791 | 29,893 |
| Depreciation | | | | |
| At the start of the year | 2,519 | 63,399 | 6,791 | 72,709 |
| Charge for the year | - | 1,031 | - | 1,031 |
| Eliminated on disposal | (1,108) | (46,348) | - | (47,456) |
| At the end of the year | 1,411 | 18,082 | 6,791 | 26,284 |
| Net book value: | | | | |
| At the end of the year | - | 3,609 | - | 3,609 |
| At the start of the year | - | - | - | - |

All of the above assets are used for charitable purposes.

Medair UK

Notes to the financial statements

For the year ended 31 December 2022

12 Debtors

| | 2022 £ | 2021 £ |
|----------------|---------------|---------------|
| Trade debtors | 11,844 | 13,057 |
| Accrued Income | 9,126 | 9,177 |
| | <u>20,970</u> | <u>22,234</u> |

13 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|-----------------|---------------|---------------|
| Trade creditors | 1,324 | 1,402 |
| Other creditors | 11,467 | 3,965 |
| Accruals | 12,206 | 8,179 |
| | <u>24,997</u> | <u>13,546</u> |

14a Analysis of net assets between funds (current year)

| | General unrestricted £ | Restricted £ | Total funds £ |
|--|------------------------------|----------------------|-----------------------|
| Tangible fixed assets | 3,609 | – | 3,609 |
| Net current assets | 185,913 | 33,821 | 219,734 |
| Net assets at the end of the year | <u>189,522</u> | <u>33,821</u> | <u>223,343</u> |

14b Analysis of net assets between funds (prior year)

| | General unrestricted £ | Restricted £ | Total funds £ |
|--|------------------------------|----------------------|-----------------------|
| Tangible fixed assets | – | – | – |
| Net current assets | 122,742 | 92,785 | 215,527 |
| Net assets at the end of the year | <u>122,742</u> | <u>92,785</u> | <u>215,527</u> |

For the year ended 31 December 2022**15a Movements in funds (current year)**

| | At 1 January 2022 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 31 December 2022 £ |
|---------------------------------|---------------------------|------------------------|------------------------------|-----------------|--------------------------------|
| Restricted funds: | | | | | |
| Afghanistan | 25,690 | 27,351 | (51,740) | - | 1,301 |
| Bangladesh | 99 | - | - | - | 99 |
| DR Congo | 7 | 44,499 | (31,027) | - | 13,479 |
| Ethiopia | 12,981 | 10,076 | (22,856) | - | 201 |
| Emergency | - | - | - | - | - |
| Jordan | - | 4,534 | (24,937) | 20,437 | 34 |
| Lebanon | 1,705 | 25,472 | (26,798) | 1,371 | 1,750 |
| Madagascar | 33 | 69,702 | (67,510) | - | 2,225 |
| Somalia | - | 79,490 | (81,790) | - | (2,300) |
| South Sudan | 304 | 4,942 | (3,016) | - | 2,230 |
| Sudan | 53 | 8,679 | (78,614) | 70,000 | 118 |
| Ukraine | - | 372,673 | (357,557) | - | 15,116 |
| Yemen | 455 | 99,884 | (100,771) | - | (432) |
| Syrian refugees (EU Madad Fund) | 51,457 | 340,678 | (390,764) | (1,371) | - |
| Total restricted funds | 92,785 | 1,087,980 | (1,237,380) | 90,437 | 33,821 |
| Unrestricted funds: | | | | | |
| General funds | 122,741 | 380,955 | (223,737) | (90,437) | 189,522 |
| Total funds | 215,526 | 1,468,935 | (1,387,915) | - | 223,343 |

Medair UK

Notes to the financial statements

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15b Movements in funds (prior year)

| | At 1 January 2021 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 31 December 2021 £ |
|---------------------------------|---------------------------|------------------------|------------------------------|----------------|--------------------------------|
| Restricted funds: | | | | | |
| Afghanistan | 1,017 | 177,170 | (152,497) | - | 25,690 |
| Bangladesh | 211 | 25,949 | (26,060) | - | 99 |
| DR Congo | 8,775 | 1,807 | (10,575) | - | 7 |
| Ethiopia | - | 87,586 | (74,605) | - | 12,981 |
| Emergency (Covid) | 18,119 | - | (18,119) | - | - |
| Haiti | 139 | - | (139) | - | - |
| Honduras | 6 | - | (6) | - | - |
| Indonesia | 190 | - | (190) | - | - |
| Iraq | 529 | - | (529) | - | - |
| Jordan | 1,401 | - | (1,401) | - | - |
| Lebanon | 20,437 | 375,179 | (393,911) | - | 1,705 |
| Lebanon or Jordan | 25 | - | (25) | - | - |
| Middle East | 190 | - | (190) | - | - |
| Mozambique | (212) | - | 212 | - | - |
| Madagascar | 375 | 8,419 | (8,761) | - | 33 |
| Sierra Leone | 51 | - | (51) | - | - |
| South Sudan | 1,420 | 59,626 | (60,742) | - | 304 |
| Sudan | 372 | 13,848 | (14,167) | - | 53 |
| Yemen | 9,706 | 109,314 | (118,565) | - | 455 |
| Syrian refugees (EU Madad Fund) | 51,457 | - | - | - | 51,457 |
| Total restricted funds | 114,209 | 858,898 | (880,322) | - | 92,785 |
| Unrestricted funds: | | | | | |
| General funds | 80,522 | 270,718 | (228,498) | - | 122,742 |
| Total funds | 194,731 | 1,129,616 | (1,035,618) | - | 288,727 |

Purposes of restricted funds

Restricted funds are to be used for specific purposes as required by the donor.

Contributions to programmes in designated countries represent funds generated from private donors and the EU which are restricted to specific humanitarian programmes operated by Medair (Switzerland).

Medair UK receives funds from the EU Madad fund for aid to Syrian refugees in Lebanon and Jordan. These funds are remitted as a grant to Medair (Switzerland) for implementation in related programmes with the exception of monies retained for the cost of the final programme audit and to cover Medair UK's grant management costs.

Notes to the financial statements

For the year ended 31 December 2022

16 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

| | 2022 £ | 2021 £ |
|--------------------|-----------|---------------|
| Less than one year | - | 15,422 |
| Between 2-5 years | - | - |
| | <u>-</u> | <u>15,422</u> |

17 Legal status of the charity

The charity 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 £10.