

FRIENDS OF MANDRITSARA TRUST

England & Wales · Charity number 1092709

Details

Other names	FOMT
Status	Registered
Legal form	Charitable company
Company number	04345183
Registered	2002-06-28
Register	View on the Charity Commission register

Contact

Address	29 Priory Road Needingworth St. Ives PE27 4SD
Phone	01480300382
Email	FoMTtreasurer@mandritsara.org.uk
Website	www.mandritsara.org.uk

Activities

Objects: THE OBJECTS FOR WHICH THE ASSOCIATION IS ESTABLISHED ARE:-1. THE ADVANCEMENT OF RELIGION IN ACCORDANCE WITH THE DOCTRINES AND PRINCIPLES OF THE PROTESTANT AND EVANGELICAL CHRISTIAN FAITH.2. THE RELIEF OF ILL-HEALTH AND SICKNESS THROUGHOUT MADAGASCAR AND ELSEWHERE.

Activities: Provision of funds, prayers and personnel for the Good News project, including a 57-bed mission hospital, (offering surgery, X-ray, blood transfusion) and serving about 30,000 sq miles. Also a busy Community Health programme, a nursing training programme, primary and lower secondary schools, plus a Christian local radio station.

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Madagascar

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£560,244	£593,045	£447,354	15
2024-12-31	£765,789	£609,473	£481,249	15
2023-12-31	£432,861	£552,279	-	-
2022-12-31	£537,612	£382,915	£445,962	11
2021-12-31	£337,637	£408,059	-	-

Trustees

Name	Role	Appointed
Dr Alison Isabel Brownell		2017-04-22
Dr Catherine Grierson		2023-08-22
Dr David Mann		2014-01-07
Dr Douglas Kerr Robertson		2017-05-20
Dr Nathan Lawrence		2023-08-22
Dr Tamsin Ruth Booth BM, MRCGP		2017-05-20
Dr Victoria Parsonson		2015-05-01
John Richard Bulmer		2017-12-05
Matthew Iain Linley		2025-11-26

Accounts

FRIENDS OF MANDRITSARA TRUST UK

REPORT AND ACCOUNTS YEAR ENDED 31 DECEMBER 2025

Company limited by guarantee

Registered number: 4345183

Registered Charity

Number: 1092709

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FRIENDS OF MANDRITSARA TRUST UK

LEGAL & ADMINISTRATIVE DETAILS

YEAR ENDED 31 DECEMBER 2025

Legal	Registered charity number: 1092709 Company limited by guarantee, registered in England and Wales number: 4345183
Registered Office	29 Priory Road, Needingworth, Cambridgeshire PE27 4SD
Trustees and Directors	Tamsin Booth Alison Brownell John Richard Bulmer - (Treasurer) Catherine Grierson Nathan Lawrence – (Secretary from 19 January 2026) Matthew Linley – appointed on 26 November 2025 David Mann Victoria Parsonson – (Secretary until 19 January 2026) Douglas Robertson – (Chairman)
Field Team Leader	Ted Watts
Bankers	National Westminster Bank Plc 98, Wandsworth High Street London SW18 4ZD
Independent Examiner	A Richard G Service, CA 66 Southbrae Drive Glasgow, G13 1QD

FRIENDS OF MANDRITSARA TRUST UK

Trustees' Annual Report for 12 months ended 31 December 2025

Objects and activities

Charitable Objects

The principal objects of *Friends of Mandritsara Trust UK* (the "Trust" or "FoMT") are:

1. The advancement of religion in accordance with the doctrines and principles of protestant and evangelical Christian faith
2. The relief of ill-health and sickness throughout Madagascar and elsewhere.

This is done primarily through providing financial resources and seeking missionary staff and volunteers for the Good News project in Mandritsara, a market town in northern Madagascar. The project includes a 41-bed hospital with surgical and medical facilities, a 24-bed maternity unit, 4 post-surgical beds, 4 high dependency unit (HDU) surgical beds and 3 HDU medical beds, a school and a radio station. Members of the Friends of Mandritsara team also assist with the training of village church leaders. The Good News Project is the property of the Association of Bible Baptist Churches in Madagascar. The Trust has a partnership agreement with the Association of Bible Baptist Churches in Madagascar.

Activities

The Trust undertakes the following principal functions under the headings of Pray, Give and Go. The Trust aims to:

- Encourage prayer for the Project. This is done by sending regular news and prayer letters, through the use of social media and the website (www.mandritsara.org.uk) and by arranging prayer meetings. In addition, hospital staff, volunteers and trustees speak at church meetings
- Raise finance for the hospital and related activities in Mandritsara
- Recruit Christian medical and support personnel to assist in the Project on short-term or long-term placements.

The process for recruiting voluntary workers requires that each must have a work permit issued by the government before obtaining a courtesy visa to enter Madagascar. The Trust has set up procedures to cope with this, and a volunteer section on its website to assist new volunteers.

The funds raised are sent to Mandritsara, Madagascar as required, to supplement the fees received from patients in the hospital and pupils in the school. Monthly payments are made direct from the Trust to the hospital on the basis of the agreed annual project budget.

The hospital runs an outpatients' clinic each day from Monday to Friday, with planned surgery on Tuesdays and Thursdays. There is an ophthalmic department which undertakes cataract operations and dispenses glasses. The hospital provides an emergency facility twenty-four hours a day, seven days a week. Gospel services are held each morning in the wards and Monday to Friday in the outpatients' department, to share the good news of Jesus as set out in the evangelical Christian faith.

There is a community health team which is very active in outlying areas, visiting villages in the Mandritsara district (which is the size of Yorkshire) and beyond to provide immunisations and health care, and to advise on water facilities, toilet building projects and general health education. The team works in close collaboration with the government health department. The opportunity is taken to share the gospel at the villages visited by the team. About eight times each year the team is assisted by Helimission, a Christian helicopter mission, which flies teams to outlying villages which are very difficult to reach overland in dry weather, but often completely inaccessible from Mandritsara during the rainy season.

The Good News School (*Ecole Bonne Nouvelle*) was founded in 1998. The school ranges from the first year of pre-school (age 3) to the fourth year of secondary education (age 15). The medium of education is French.

The "Voice of the Good News" radio is a Christian radio station that broadcasts daily over a broad area. This is run by a staff of four and is on air from 4.30am to 11pm, seven days a week. It is also used for public service broadcasting and notifying people in outlying villages when the community health team will be visiting, and of other health campaigns.

Public Benefit

The Good News Project does not charge its beneficiaries the full cost of treatment or education received. Only local Malagasy staff are paid salaries. The resident missionary staff and all visiting workers have to raise their own support, so their services are provided at no cost to the beneficiaries.

Madagascar is a very financially-poor country and so patient fees are set at a level appropriate to the context. Nevertheless, some patients are unable to pay even the modest fees charged by the hospital. In these cases, no patients are refused medical treatment, and extra help may be given to cover part or the whole of the cost of their hospital treatment. All patients are treated regardless of race, religion, age or other factors.

The training and support of volunteer doctors, medical students and student nurses from the UK who visit Mandritsara, gives them experience, which enriches their training and practice when they return to work in their home countries. Some visitors, particularly visiting surgeons from the UK, elsewhere in Europe, Canada, Australia and New Zealand, also train the staff at the hospital in Mandritsara.

The Good News Project is a major employer in the town and district of Mandritsara.

Effect of general financial conditions on the Good News Project and FoMT

The Trustees have been encouraged that the level of donations to the Trust has been strong during 2025. The Trustees are very grateful for all donations received from supporters during 2025.

The Trustees have carefully reviewed income and expenditure of both the Trust and the Good News Project from time to time, and modelled several possible scenarios. It remains possible that the Trust may need to contribute additional funds to the Project during 2026 if there is a resurgence of inflation in Madagascar which affects the salaries and other costs of the Good News Project.

Achievements and performance

The project continues to serve a wide area. During 2025 the doctors at the Good News Hospital (Hopitaly Vaovao Mahafaly, or "HVMM") undertook 11,512 (12,016 in 2024) outpatient consultations, the ward staff received 1,676 (1,708 in 2024) medical inpatients and 1,622 (1,652 in 2024) surgical inpatients; surgeons performed 2,073 (1,927 in 2024) surgical procedures, and midwives (and/or surgeons) delivered 840 babies (790 in 2024). The eye team undertook 6,737 (6,387 in 2024) consultations and the eye surgeon performed 393 (431 in 2024) cataract operations.

The Eye department made 3 visits to Mananara during 2025 (3 in 2024), to see eye patients, prescribe spectacles and operate on patients with cataracts. Mananara is a town similar in size to Mandritsara, but over on the east coast and inaccessible by road from Mandritsara. Visits to Mananara have to be made by Mission Aviation Fellowship (MAF) plane. The team carried out 611 eye consultations during 2025 (649 in 2024) and 32 cataract operations (40 in 2024) in Mananara.

The Eye department also made 2 visits to Bealanana during 2025 (2 in 2024) and carried out 33 cataract operations there (30 in 2024).

The "Voice of the Good News" radio station broadcasts to the district each day from early morning to late evening. There is Bible teaching, health education, cookery lessons, and French and English lessons each day.

The Community Health team has been particularly focussing on sanitation in recent years, heading up a region-wide sanitation project for the Mandritsara district. The team continues to visit village communities to encourage and to teach on sanitation and to perform vaccinations. The Community Health team carried out 59 (115 in 2024) separate vaccination sessions in 2025, and visited 149 different villages in 2025 (220 in 2024).

Helimission visited 8 times during 2025 (6 in 2024), for 8 weeks of mission, taking small teams out to remote villages for vaccinations, health education and Christian outreach.

The Good News School (EBN) is still the best-performing school in the district. There are currently 474 (465 in 2024) pupils from 3-15 years.

During 2025, there were 14 adults (with 12 children) from the UK, Australia, Belgium, France and Switzerland who are serving at the project for more than three months in a variety of roles, including as general doctors, surgeons, nurses, a midwife and teachers.

There were 98 short-term workers or visitors to the project from outside Madagascar during 2025 (77 in 2024).

Financial review

The Trustees consider that AM-FM (the Trust's Madagascar NGO) is a branch of the Trust for accounting purposes. The figures in these accounts relate to the combination of the Trust and AM-FM, except where stated otherwise. The notes to these accounts show the components of the key figures in these accounts for each of the Trust and AM-FM.

The primary source of income for the Trust continues to be gifts and donations from individual supporters of the project, with other donations from supporting churches, trusts and fundraising activities. The income from gifts and donations, excluding legacy, Gift Aid refunds and AM-FM income, in 2025 amounted to £444,686 (2024: £624,710), a reduction of £180,024 (2024: an increase of £274,348).

The total income including legacy, income tax on Gift Aid in 2025 and AM-FM income was £560,244 (2024: £765,789), a reduction from the previous year of £205,545 (2024: an increase of £332,928), a reduction of 27% (2024: an increase of 77%).

This reduction in income of £205,545 is broken down as follows:

- An increase of £24,489 in respect of the General Fund
- A reduction of £6,584 in respect of Designated Funds
- A reduction of £223,773 in respect of Restricted Funds, which is due to substantial donation income received during 2024 in respect of the Maternity Expansion Fund, the Radio Station Fund and the Poor Fund
- An increase of £323 in respect of Local Funds.

There was a 5% reduction in Gift Aid refunds in 2025 (2024: 0% increase) from £38,295 in 2024 to £36,198 in 2025.

We also promote the website and online giving. We have an online Gift Aid declaration page which simplifies and speeds up the sign-up process for Gift Aid.

Expenditure by the Trust and AM-FM to, or for the benefit of, the Good News Project in Mandritsara ("Project costs") during 2025, including Restricted Funds, amounted to £561,516 (2024: £575,712), a reduction of £14,196 (2024: an increase of £59,267).

The Pound Sterling increased a little in value against the Ariary during 2025. Overall, General Fund project costs during 2025 in Pound Sterling terms have been slightly lower to some extent than those anticipated, due to the favourable currency exchange rate. Future project costs in Pound Sterling terms remain subject to future movements in the currency exchange rate.

Trustees' Annual Report - continued

Designated Funds

Designated Funds relate typically to legacy income, which has been used in the past to fund the construction of hospital buildings and housing in Mandritsara.

During 2025, Designated Funds have received £56,137 of income (2024: £62,721) and expended £70,722 (2024: £49,938) towards various items, including ophthalmic equipment, new houses for doctors and the radio station project.

Designated Funds amounted to £151,935 (2024: £161,207) at the end of 2025.

Restricted Funds

At the start of the year there were 9 active Restricted Funds. At the year end this had increased to 10 active Restricted Funds. They accounted for £105,106 (2024: £147,212), representing 23 per cent (2024: 31 per cent) of the value of all funds, at the end of 2025. The Poor Fund, Radio Station Fund and Laboratory Fund represented £46,182 (2024: £46,672), £0 (2024: £85,000) and £38,615 (2024: -£192) respectively of these total Restricted Funds of £105,106 at 31 December 2025.

We are pleased to report the successful completion of the Radio Station Project. The new Radio Station building was opened during the Autumn of 2025.

An agreement between the Trust and the Good News Project ("HVMM") makes clear the restricted purposes for which transferred Restricted Funds must be used, and requires HVMM to provide periodic reports to the Trust on the use of the Restricted Funds.

Local Funds

There are a number of Local Funds which are managed by AM-FM in Madagascar. These funds assist the members of the missionary team and various ministries in Mandritsara. For example:

- Members of the missionary team make payments to Local Funds which are then used to pay for the cost of items such as administrative services, language learning and accommodation in Mandritsara
- Local Funds are held by AM-FM from time to time for building teams which come from the UK to support building projects in Mandritsara.

Transfers between funds

£5,313 (2024: £27,316) was transferred from Restricted Funds to Designated Funds during 2025. In particular:

- Restricted Funds reimbursed Designated Funds for £3,006 (2024: £26,100) of expenditure which fell under the scope of Restricted Funds
- A further £2,307 (2024: £1,216) was transferred from Restricted Funds to Designated Funds during 2025. In this case, the Theatre Block Fund was using 2025 income to reimburse Designated Funds for part of the £7,493 transfer from Designated Funds to the Theatre Block Fund during 2022.

Trustees' Annual Report - continued

£0 (2024: £10,000) was transferred from Designated Funds to the General Fund during 2025. The transfer during 2024 was to ensure as far as reasonably possible that the General Fund remains in excess of 50% of anticipated annual expenditure for the whole of 2025.

A net amount of £2,263 (2024: £0) was transferred from Restricted Funds to the General Fund during 2025. This was mainly in respect of Restricted Fund donations where there was discretion to use the gifts for general purposes.

£1,088 (2024: £0) was transferred from Local Funds to Restricted Funds during 2025. This was in respect of a previous donation where the donors specified a more precise purpose for the gift during 2025.

£0 (2024: £4,295) was transferred from the General Fund to Restricted Funds during 2025. The 2024 transfer was to extinguish a £4,295 deficit in the Maternity Expansion Fund held by the Trust as at 31 December 2024.

£0 (2024: £319) was transferred from the General Fund to Local Funds during 2025. The 2024 transfer was in respect of a payment received in the UK for accommodation provided at the guest house in Mandritsara during 2024.

Reserves Policy

The Trustees seek to retain sufficient reserves to maintain the funding of the project in Mandritsara for a period of six months. The General Fund balance at the end of 2025 of £174,914 (2024: £158,862) is more than sufficient to support the project for six months (which would require £137,500), if there was no further income. Most of the surplus General Funds are held in the UK until payment is required in Madagascar.

The Trustees continue to consider the most appropriate use of Designated Funds, which amounted to £151,935 at the end of 2025 (2024: £161,207). It is anticipated that expenditure from Designated Funds during 2026 and 2027 may include:

- Projects associated with the Good News Project's 5-year plan, which includes a significant construction project for the Good News School
- Support to the General Fund if this is required to ensure that the General Fund balance remains in excess of 6 months of budgeted expenditure.

Plans for future periods

The Trust will continue to fund the Good News Project in Mandritsara, and the Trust's budget for 2026 shows that it can continue supporting at the same level for the time being without significant extra giving.

The following major project is planned for 2026:

- A significant construction project for a new hospital laboratory, which is approximately fully funded. A substantial proportion of the cost of the new laboratory has been funded by a generous gift sent direct from the donor to the Good News Project, which did not pass through the bank accounts of the Trust.

Trustees' Annual Report - continued

The Board of the Good News Project in Mandritsara has agreed a detailed five-year plan which includes details of anticipated construction / development projects which are likely to take place during the next few years. These plans include a possible significant project in respect of the Good News School.

Structure, governance and management

Friends of Mandritsara Trust UK ("The Trust" or "FoMT") is a registered charity (1092709) and a company limited by guarantee, registered in England and Wales on 24 December 2001, registered number 4345183, governed by its Memorandum and Articles of Association. The address of the registered office is set out on page 2, which also lists the trustees who have served during the 2025 financial year, or who were in office at the date this report was approved. The Trustees are also directors of the Trust.

Nathan Lawrence became Secretary on 19 January 2026, replacing Victoria Parsonson, who remains a Trustee. We would like to express our thanks to Victoria Parsonson for her long service as Secretary since 2016.

In Madagascar the Trust was represented by Ted Watts. Ted Watts is the field team leader, and the chairman of Amis de Mandritsara ("AM-FM"), a NGO registered with the Madagascar Government, which acts as an agent of the Trust.

The main aim of the Trust is to promote and support the Good News project in Mandritsara, a market town in northern Madagascar. The Good News Hospital (known locally as *Hopitaly Vaovao Mahafaly*) is the main part of the project, but it also includes the Good News School, and the Voice of the Good News radio station. The project is a collaboration between the Trust and the Association of Bible Baptist Churches in Madagascar (FBBM). The legal agreement governing the project in Madagascar is the *Statut de l'Hôpital Médico-Chirurgical Confessionnel Dénommé "Hopitaly Vaovao Mahafaly"*. The hospital board comprises up to five pastors designated by the board of the FBBM, including their president, up to three members representing the Trust, including the AM-FM Team Leader, two technicians (one medical and one financial) and the General Director of the Good News Hospital.

The Trustees have ultimate responsibility for processing applications from prospective overseas workers and students to join AM-FM at the Good News Project. The Trustees have delegated the day-to-day management of this process to the AM-FM Team Leader and the team member responsible for medical elective students.

The Trustees also have ultimate responsibility for the updating of the website news and for website security. The Trustees delegated the day-to-day management of the website to a volunteer during 2025 at a cost of £0 (2024: £1,504), which included the facilitation of two hybrid prayer days during 2025.

In the UK, the board of the Trust recruits new trustees to its number who are either existing Members of the company or known to the current trustees as having an interest in the project. It is typically the case that Trustees have been to Mandritsara to have personal knowledge of the Project, although other long-term / committed supporters can and have served as Trustees. The Trust has an agreed eight-step procedure for the appointment of new trustees, setting out what documents should be handed to a prospective trustee and then once appointed.

The Trustees currently have monthly meetings (usually by virtual conferencing platforms), which are supplemented with email conversations as required.

The Trustees maintain, and review on a regular basis, a wide range of policies and procedures, including a Child Safety Policy and an Internal Financial Controls Policy.

Significant risks

The Trustees have examined the major strategic, business and operational risks that the Trust faces and confirm systems have been established to monitor those risks so that the necessary steps can be taken to reduce them. The Trustees review the Risk Register on at least an annual basis. The principal potential risks identified by the Trustees, together with the principal mitigations put in place to manage these risks, are as follows:

Governance and management risks

These potential risks include the loss of focus or dilution of charitable aims, lack of clear priorities to enable strategic planning, inadequate training for Trustees, the geographical remoteness of the Trust from operational activities in Madagascar, a lack of cohesion between the Trust and the Good News Project, and disaster recovery and planning.

These risks are managed by regular review and adherence to the partnership agreement between the Trust and FBBM, training for Trustees, occasional visits by Trustees to Mandritsara, regular communication between the AM-FM Team Leader and the Trustees, including the Team Leader joining the regular monthly virtual Trustees meeting, and all Trust documents being stored electronically in secure cloud-based storage.

Financial risks

These potential risks include a shortfall in funding or an unexpected increase in expenditure for the Project, loss of funds by the Trust or the Good News Project from investments, fraud or error, and currency exchange risks.

These risks are managed by maintaining the relationship with existing supporters through newsletters and prayer days, holding all funds in cash or cash equivalents with reputable banking institutions (or converting them into cash or cash equivalents when received in a different form), ensuring that General Fund reserves are in excess of six months of budgeted expenditure, engaging in a robust budgeting process each year for both the Trust and the Good News Project, adherence to the Trust's internal financial controls policy, the Treasurer circulating monthly Trust management accounts to the Trustees, the Trust Treasurer receiving regular monthly management accounts from the Good News Project and liaising regularly with the director of finance of the Good News Project, and the Trustees commissioning an annual external audit of the accounts of the Good News Project.

Trustees' Annual Report - continued

Child protection risks

These potential risks include safeguarding events affecting either children or vulnerable adults.

These risks are managed by strict adherence to separate safeguarding policies which apply to each of the Trust / AM-FM and the Good News Project. All Trustees or volunteers travelling from the UK to Mandritsara are required to have DBS checks in place. All AM-FM team members and volunteers receive appropriate safeguarding training.

External risks

These potential risks include external perceptions of the Trust, the closure of Madagascar borders due to external events such as COVID, and the personal health and safety of the AM-FM team and volunteers.

These risks are managed by keeping the website up-to-date, making AM-FM team members / volunteers aware of the risks of travel in Madagascar, all team members / volunteers are required to have comprehensive emergency medical insurance inclusive of evacuation cover, adherence to the Trust's social media policy, AM-FM contingency planning to cover emergency evacuation for non-medical reasons including political or civil unrest, and monitoring of legal and regulatory changes in Madagascar.

Compliance risks

These potential risks include failure to comply with laws and regulations in the UK and Madagascar.

These risks are managed by regular monitoring of changes in laws and regulations, the timely submission of accounts, and the implementation of a data protection policy.

Trustee Responsibilities

Under the Charities Act 2011 and under the Companies Act 2006, the Trustees are required to prepare a statement of accounts for each accounting year which gives a true and fair view of the state of affairs of the Friends of Mandritsara Trust UK.

They are required to:

- a) Select suitable accounting policies and apply them consistently.
- b) Make judgements and estimates that are reasonable and prudent.
- c) State whether the applicable accounting standards have been followed.
- d) Prepare the financial statements on an ongoing basis.

They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Friends of Mandritsara Trust UK and ensure that such accounts and records comply with the Charities Act 2011 and Companies Act 2006.

They also have a responsibility to safeguard the assets and liabilities of Friends of Mandritsara Trust UK and take reasonable steps to detect fraud or any other irregularities.

Approval

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

This report was approved by the Trustees on 16 March 2026

A handwritten signature in black ink, appearing to be 'N Lawrence', written over a horizontal line.

And signed on their behalf by N Lawrence (Secretary)

Friends of Mandritsara Trust UK

**Independent Examiner's report to the trustees of
Friends of Mandritsara Trust UK (the Company)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2025, which are set out on pages 14 to 21.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

The Company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of Scotland.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that, in any material respect:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: A Richard G Service, CA
66 Southbrae Drive
Glasgow, G13 1QD

16 March 2026

Friends of Mandritsara Trust UK
Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 December 2025

	Unrestricted General	Unrestricted Designated	Restricted	Local	Total 2025	Total 2024
	£	£	£	£	£	£
Income						
<i>Charitable Income</i>						
Gifts	224,026	16,291	204,369	-	444,686	624,710
Legacy received	-	39,846	-	-	39,846	62,721
Income tax recoverable	30,855	-	5,343	-	36,198	38,295
	254,881	56,137	209,712	-	520,730	725,726
<i>Other income</i>						
AM-FM income	-	-	-	32,394	32,394	32,071
Bank interest (Trust and AM-FM)	7,120	-	-	-	7,120	7,992
Total Income	262,001	56,137	209,712	32,394	560,244	765,789
Expenditure						
<i>Charitable Expenditure</i>						
Project costs - Trust	245,020	70,722	245,306	-	561,048	570,515
Project costs – AM-FM	443	-	25	-	468	5,197
Other costs – AM-FM	-	-	-	29,046	29,046	29,562
Fundraising costs	63	-	-	-	63	214
UK administration costs	2,420	-	-	-	2,420	3,985
Total Expenditure	247,946	70,722	245,331	29,046	593,045	609,473
Net Income / (Expenditure) Before transfers	14,055	-14,585	-35,619	3,348	-32,801	156,316
Gross Transfers between Funds	2,263	5,313	-6,488	-1,088	-	-
Currency Adjustment	-266	-	1	-829	-1,094	-141
Net Income / (Expenditure)	16,052	-9,272	-42,106	1,431	-33,895	156,175
Fund Balances, 1 Jan 2025	158,862	161,207	147,212	13,968	481,249	325,074
Fund Balances, 31 Dec 2025	174,914	151,935	105,106	15,399	447,354	481,249

Friends of Mandritsara Trust UK

Balance Sheet as at 31 December 2025

	2025 £	2024 £
Fixed Assets		-
Current assets		
<u>UK assets</u>		
Bank balances	383,625	318,044
Investments	-	42,706
Debtors & prepayments	43,255	102,815
	426,880	463,565
<u>Madagascar assets – AM-FM</u>		
Bank balances	19,581	16,096
Cash	1,099	2,637
Debtors & prepayments	551	309
	21,231	19,042
Creditors: amounts falling due within one year		
Creditors & accruals - UK	-120	-719
Creditor & accruals - Madagascar	-637	-639
NET ASSETS	447,354	481,249
Funds		
General Fund	174,914	158,862
Designated Fund	151,935	161,207
Restricted Funds	105,106	147,212
Local Funds	15,399	13,968
TOTAL FUNDS	447,354	481,249

For the year ending 31 December 2025 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparation of accounts.

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

Signed:



J R Bulmer (Treasurer)

Date: 16 March 2026

Friends of Mandritsara Trust UK

Statement of Cash Flows

	2025 £	2024 £
Cash flows from operating activities		
Net cash provided by operating activities	60,408	38,202
Cash flows from investing activities		
Interest	7,120	7,992
Net cash provided by investing activities	7,120	7,992
Cash flows from financing activities		
Change in cash and cash equivalents in the reporting period	67,528	46,194
Cash and cash equivalents at the start of the reporting period	336,777	290,583
Cash and cash equivalents at the end of the reporting period	404,305	336,777
Reconciliation of net income / (expenditure) to net cash flows from operating activities		
Net income / (expenditure) for the reporting period (as per the Statement of Finance Activities)	-33,895	156,175
Adjustment for:		
Interest from investments	-7,120	-7,992
Decrease / (increase) in investments	42,706	-42,706
Decrease / (increase) in debtors	59,318	-68,150
(Decrease) / increase in creditors	-601	875
Net cash provided by operating activities	60,408	38,202
Analysis of cash and cash equivalents		
Cash in hand	1,099	2,637
Short term bank deposits	403,206	334,140
Total cash and cash equivalents	404,305	336,777

Friends of Mandritsara Trust UK

Notes to the accounts for the year ended 31 December 2025

Accounting Policies

- a) The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice: Accounting by Charities (FRS102) (issued October 2019).

- b) Voluntary income is received by way of gifts and donations and is included in full in the Statement of Financial Activities when received.

Donations arising under Gift Aid together with the tax recoverable thereon are accounted when received and tax unclaimed at the year-end is recognised in debtors.

Resources expended are charged in the accounts in the period in which they incurred. They include attributable VAT, which cannot be recovered.

- c) Restricted funds are to be used for specific purposes as laid down by the donor.

Designated funds are unrestricted funds allocated for specific purposes by the trustees.

Unrestricted funds are donations and other incomes received or generated for the objects of the charity without further specified purpose and are available as general funds.

- d) Tangible fixed assets.

Small items of fixed and movable equipment are written off as the expenditure is incurred. The Company has no tangible fixed assets.

- e) The accounts show the combined results of the Trust and Amis de Mandritsara ("AM-FM"), a NGO registered with the Madagascar Government. AM-FM is considered to be a branch of the Trust.

- f) Basis of conversion of AM-FM transactions to Sterling.

All transactions undertaken by AM-FM are in Madagascan Ariary. For the purpose of these accounts, these Ariary amounts have been converted to Sterling using the following currency exchange rates:

- Fund values in Ariary at the start and end of the financial year are converted to Sterling using the applicable currency exchange rates at those dates

Trustees' Annual Report - continued

- Income and expenditure in Ariary during a calendar month are converted to Sterling using the average of the applicable currency exchange rates at the start and end of that month.

The accounts also include a currency adjustment, which reflects movements in the Sterling value of AM-FM assets during the year which are due to movements during the year in the currency exchange rate between Sterling and the Madagascan Ariary.

Salaries and related employment costs paid by AM-FM to full-time and part-time employees in Mandritsara

	General Funds	Designated Funds	Restricted Funds	Local Funds	Total
	£	£	£	£	£
2025 salaries	-	-	-	10,904	10,904
2024 salaries	-	-	-	9,904	9,904

No Trustees or any person connected to them was paid remuneration during either 2024 or 2025.

Trustee expenses - 2025

Expenses reimbursed to Trustees by the Trust during 2025 amounted to £232 (2024: £0), which related to the cost of catering at the Cambridge Prayer Day.

Donated facilities and services

Members of the AM-FM missionary team and volunteers who travel to Mandritsara are responsible for paying all of their travel, housing and maintenance costs.

Except for the reimbursed Trustee expenses which are detailed above, Trustees and Members of FoMT give voluntarily of their time and money in fulfilling their roles as Trustees and Members.

Grants Payable

The Trust paid the following grants to the Good News Hospital during 2025:

- £230,000 (2024: £206,500) in respect of Unrestricted General Funds
- £39,504 (2024: £46,942) in respect of Designated Funds
- £124,179 (2024: £225,000) in respect of Restricted Funds.

Cash at bank in the UK (Trust)	2025 £	2024 £
Current account	100	100
Deposit account	174,042	163,014
35-day notice account	209,483	154,930
PayPal account	0	0
Total	383,625	318,044

Trustees' Annual Report - continued

	2025 £	2024 £
Investments in the UK (Trust)		
Donated shares	0	42,706

Cash at bank in Madagascar (AM-FM)		
Current account	9,088	5,464
Deposit account	10,493	10,632
Total	19,581	16,096

Debtors & Prepayments in the UK (Trust)		
Income tax recoverable on Gift Aid donations	36,198	38,574
Charity voucher refunds due	557	1,520
Legacy to be received	6,500	62,721
	43,255	102,815

Movement in Funds during 2025

	1 Jan 2025 £	Income £	Expenditure £	Transfers £	Currency Adjustment £	31 Dec 2025 £
Unrestricted Funds	158,862	262,001	-247,946	2,263	-266	174,914
Designated Funds	161,207	56,137	-70,722	5,313	-	151,935
Restricted Funds	147,212	209,712	-245,331	-6,488	1	105,106
Local Funds	13,968	32,394	-29,046	-1,088	-829	15,399
Total Funds	481,249	560,244	-593,045	-	-1,094	447,354

Movement in Funds during 2024

	1 Jan 2024 £	Income £	Expenditure £	Transfers £	Currency Adjustment £	31 Dec 2024 £
Unrestricted Funds	145,541	237,512	-229,499	5,386	-78	158,862
Designated Funds	131,108	62,721	-49,938	17,316	-	161,207
Restricted Funds	37,303	433,485	-300,474	-23,021	-81	147,212
Local Funds	11,122	32,071	-29,562	319	18	13,968
Total Funds	325,074	765,789	-609,473	-	-141	481,249

Trustees' Annual Report - continued

Analysis of Net Assets between Funds at 31 December 2025

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
<u>Trust - UK</u>					
Cash at Bank	138,427	145,435	99,763	-	383,625
Investments	-	-	-	-	-
Debtors	31,412	6,500	5,343	-	43,255
Creditors	-120	-	-	-	-120
<u>AM-FM – Madagascar</u>					
Bank Balances	4,096	-	-	15,485	19,581
Cash	1,099	-	-	-	1,099
Debtors	-	-	-	551	551
Creditors	-	-	-	-637	-637
Total Funds	174,914	151,935	105,106	15,399	447,354

Analysis of Net Assets between Funds at 31 December 2024

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
<u>Trust - UK</u>					
Cash at Bank	123,962	98,486	95,596	-	318,044
Investments	-	-	42,706	-	42,706
Debtors	30,585	62,721	9,509	-	102,815
Creditors	-120	-	-599	-	-719
<u>AM-FM - Madagascar</u>					
Bank Balances	1,798	-	-	14,298	16,096
Cash	2,637	-	-	-	2,637
Debtors	-	-	-	309	309
Creditors	-	-	-	-639	-639
Total Funds	158,862	161,207	147,212	13,968	481,249

Related party

The Trustees consider that the Good News Hospital ("HVMM") is a related party of Friends of Mandritsara Trust (the "Trust"), as defined in the Statement of Recommended Practice: Accounting by Charities (FRS102) (issued October 2019).

The Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2025 shows that:

- 2025 project costs - Trust amounted to £245,020 (2024: £225,454) in respect of Unrestricted General Funds. This figure includes £230,000 (2024: £206,500) of transfers from the Trust to HVMM
- 2025 project costs – Trust amounted to £70,722 (2024: £49,938) in respect of Designated Funds. This figure includes £39,504 (2024: £46,942) of transfers from the Trust to HVMM
- 2025 project costs - Trust amounted to £245,306 (2024: £295,123) in respect of Restricted Funds. This figure includes £124,179 (2024: £225,000) of transfers from the Trust to HVMM
- 2025 project costs – AM-FM amounted to £443 (2024: £445) in respect of Unrestricted General Funds. This figure includes £443 (2024: £445) of transfers from AM-FM to HVMM
- 2025 project costs – AM-FM amounted to £25 (2024: £4,752) in respect of Restricted Funds. This figure includes £0 (2024: £0) of transfers from AM-FM to HVMM.

In addition, AM-FM made a number of regular payments to HVMM in respect of items such as:

- Rent and electricity/water charges in respect of the guest house
- Agreed contributions towards the costs of the office in Antananarivo
- Salary costs of the AM-FM administrator
- Tax payments.

Total donations (excluding income tax recoverable) received by the Trust without conditions during 2025 from Trustees or other related parties amounted to £34,854 (2024: £36,786).

Accounts

FRIENDS OF MANDRITSARA TRUST UK

REPORT AND ACCOUNTS YEAR ENDED 31 DECEMBER 2024

Company limited by guarantee

Registered number: 4345183

Registered Charity

Number: 1092709

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FRIENDS OF MANDRITSARA TRUST UK

LEGAL & ADMINISTRATIVE DETAILS

YEAR ENDED 31 DECEMBER 2024

Legal	Registered charity number: 1092709 Company limited by guarantee, registered in England and Wales number: 4345183
Registered Office	29 Priory Road, Needingworth, Cambridgeshire PE27 4SD
Trustees and Directors	Tamsin Booth Alison Brownell John Richard Bulmer - (Treasurer) Catherine Grierson Nathan Lawrence David Mann Victoria Parsonson – (Secretary) Douglas Robertson – (Chairman)
Field Team Leader	Ted Watts
Bankers	National Westminster Bank Plc 98, Wandsworth High Street London SW18 4ZD
Independent Examiner	A Richard G Service, CA 66 Southbrae Drive Glasgow, G13 1QD

FRIENDS OF MANDRITSARA TRUST UK

Trustees' Annual Report for 12 months ended 31 December 2024

Objects and activities

Charitable Objects

The principal objects of *Friends of Mandritsara Trust UK* (the "Trust" or "FoMT") are:

1. The advancement of religion in accordance with the doctrines and principles of protestant and evangelical Christian faith
2. The relief of ill-health and sickness throughout Madagascar and elsewhere.

This is done primarily through providing financial resources and seeking missionary staff and volunteers for the Good News project in Mandritsara, a market town in northern Madagascar. The project includes a 44-bed hospital with surgical and medical facilities, a 13-bed maternity unit, 4 post-surgical beds, 4 high dependency unit (HDU) beds, a school and a radio station. Members of the Friends of Mandritsara team also assist with the training of village church leaders. The Good News project is the property of the Association of Bible Baptist Churches in Madagascar. The Trust has a partnership agreement with the Association of Bible Baptist Churches in Madagascar.

Activities

The Trust undertakes the following principal functions under the headings of Pray, Give and Go. The Trust aims to:

- Encourage prayer for the Project. This is done by sending regular news and prayer letters, through the use of social media and the website (www.mandritsara.org.uk) and by arranging prayer meetings. In addition, hospital staff, volunteers and trustees speak at church meetings
- Raise finance for the hospital and related activities in Mandritsara
- Recruit Christian medical and support personnel to assist in the Project on short-term or long-term placements.

The process for recruiting voluntary workers requires that each must have a work permit issued by the government before obtaining a courtesy visa to enter Madagascar. The Trust has set up procedures to cope with this, and a volunteer section on its website to assist new volunteers.

The funds raised are sent to Mandritsara, Madagascar as required, to supplement the fees received from patients in the hospital and pupils in the school. Monthly payments are made direct from the Trust to the hospital on the basis of the agreed annual project budget.

The hospital runs an outpatients' clinic each day from Monday to Friday, with planned surgery on Tuesdays and Thursdays. There is an ophthalmic department which undertakes cataract operations and dispenses glasses. The hospital provides an emergency facility twenty-four hours a day, seven days a week. Gospel services are held each morning in the wards and Monday to Friday in the outpatients' department, to share the good news of Jesus as set out in the evangelical Christian faith.

There is a community health team which is very active in outlying areas, visiting villages in the Mandritsara district (which is the size of Yorkshire) and beyond to provide immunisations and health care, and to advise on water facilities, toilet building projects and general health education. The team works in close collaboration with the government health department. The opportunity is taken to share the gospel at the villages visited by the team. About six times each year the team is assisted by Helimission, a Christian helicopter mission, which flies teams to outlying villages which are very difficult to reach overland in dry weather, but often completely inaccessible from Mandritsara during the rainy season.

The Good News School (*Ecole Bonne Nouvelle*) was founded in 1998. The school ranges from the first year of pre-school (age 3) to the fourth year of secondary education (age 15). The medium of education is French.

The "Voice of the Good News" radio is a Christian radio station that broadcasts daily over a broad area. This is run by a staff of four and is on air from 4.30am to 11pm, seven days a week. It is also used for public service broadcasting and notifying people in outlying villages when the community health team will be visiting, and of other health campaigns.

Public Benefit

The Good News Project does not charge its beneficiaries the full cost of treatment or education received. Only local Malagasy staff are paid salaries. The resident missionary staff and all visiting workers have to raise their own support, so their services are provided at no cost to the beneficiaries.

Madagascar is a very financially-poor country and so patient fees are set at a level appropriate to the context. Nevertheless, some patients are unable to pay even the modest fees charged by the hospital. In these cases, no patients are refused medical treatment, and extra help may be given to cover part or the whole of the cost of their hospital treatment. All patients are treated regardless of race, religion, age or other factors.

The training and support of volunteer doctors, medical students and student nurses from the UK who visit Mandritsara, gives them experience, which enriches their training and practice when they return to work in their home countries. Some visitors, particularly visiting surgeons from the UK, elsewhere in Europe, Canada, Australia and New Zealand, also train the staff at the hospital in Mandritsara.

The Good News Project is a major employer in the town and district of Mandritsara.

Effect of general financial conditions on the Good News Project and FoMT

The Trustees have been encouraged that the level of donations to the Trust has been strong during 2024. The Trustees are very grateful for all donations received from supporters during 2024.

The Trustees have carefully reviewed income and expenditure of both the Trust and the Good News Project from time to time, and modelled several possible scenarios. It remains possible that the Trust may need to contribute additional funds to the Project during 2025 if there is a resurgence of inflation in Madagascar which affects the salaries and other costs of the Good News Project.

Achievements and performance

The project continues to serve a wide area. During 2024 the doctors at the Good News Hospital (Hopitaly Vaovao Mahafaly, or "HVMM") undertook 12,016 (11,154 in 2023) outpatient consultations, the ward staff received 1,708 (1,400 in 2023) medical inpatients and 1,652 (1,630 in 2023) surgical inpatients; surgeons performed 1,927 (1,922 in 2023) surgical procedures, and midwives (and/or surgeons) delivered 790 babies (801 in 2023). The eye team undertook 6,387 (6,219 in 2023) consultations and the eye surgeon performed 431 (358 in 2023) cataract operations.

The Eye department made 3 visits to Mananara during 2024 (3 in 2023), to see eye patients, prescribe spectacles and operate on patients with cataracts. Mananara is a town similar in size to Mandritsara, but over on the east coast and inaccessible by road from Mandritsara. Visits to Mananara have to be made by Mission Aviation Fellowship (MAF) plane. The team carried out 649 eye consultations during 2024 (739 in 2023) and 40 cataract operations (36 in 2023) in Mananara.

The Eye department also made 2 visits to Bealanana during 2024 (2 in 2023) and carried out 30 cataract operations there (20 in 2023).

The "Voice of the Good News" radio station broadcasts to the district each day from early morning to late evening. There is Bible teaching, health education, cookery lessons, and French and English lessons each day.

The Community Health team has been particularly focussing on sanitation in recent years, heading up a region-wide sanitation project for the Mandritsara district. The team continues to visit village communities to encourage and to teach on sanitation and to perform vaccinations. The Community Health team carried out 115 (291 in 2023) separate vaccination sessions in 2024, and visited 220 different villages in 2024 (274 in 2023).

Helimission visited 6 times during 2024 (6 in 2023), for 6 weeks of mission, taking small teams out to remote villages for vaccinations, health education and Christian outreach.

The Good News School (EBN) is still the best-performing school in the district. There are currently 465 (450 in 2023) pupils from 3-15 years.

During 2024, there were 14 adults (with 12 children) from the UK, Australia, Belgium, France and Switzerland who are serving at the project for more than three months in a variety of roles, including as general doctors, surgeons, nurses, a midwife and teachers.

There were 77 short-term workers or visitors to the project from outside Madagascar during 2024 (85 in 2023).

Financial review

The Trustees consider that AM-FM (the Trust's Madagascar NGO) is a branch of the Trust for accounting purposes. The figures in these accounts relate to the combination of the Trust and AM-FM, except where stated otherwise. The notes to these accounts show the components of the key figures in these accounts for each of the Trust and AM-FM.

The primary source of income for the Trust continues to be gifts and donations from individual supporters of the project, with other donations from supporting churches, trusts and fundraising activities. The income from gifts and donations, excluding legacy, Gift Aid refunds and AM-FM income, in 2024 amounted to £624,710 (2023: £350,362), an increase of £274,348 (2023: a reduction of £129,461).

The total income including legacy, income tax on Gift Aid in 2024 and AM-FM income was £765,789 (2023: £432,861), an increase from the previous year of £332,928 (2023: a reduction of £104,751), an increase of 77% (2023: a reduction of 19%).

This increase in income of £332,928 is broken down as follows:

- An increase of £28,463 in respect of the General Fund
- An increase of £46,048 in respect of Designated Funds, which is due to a legacy valued at £62,721 which was recognised as income during 2024
- An increase of £253,877 in respect of Restricted Funds, which is due to substantial donation income received during 2024 in respect of the Maternity Expansion Fund, the Radio Station Fund and the Poor Fund
- An increase of £4,540 in respect of Local Funds.

There was a 0% increase in Gift Aid refunds in 2024 (2023: 24% increase) from £38,247 in 2023 to £38,295 in 2024.

We also promote the website and online giving. We have an online Gift Aid declaration page which simplifies and speeds up the sign-up process for Gift Aid.

Expenditure by the Trust and AM-FM to, or for the benefit of, the Good News Project in Mandritsara ("Project costs") during 2024, including Restricted Funds, amounted to £575,712 (2023: £516,445). This increase of £59,267 (2023: an increase of £170,599) largely reflects the increased expenditure of £300,474 (2023: £204,783) of Restricted Funds on various capital projects and other items during 2024.

The Pound Sterling increased a little in value against the Ariary during 2024. Overall, General Fund project costs during 2024 in Pound Sterling terms have been lower to some extent than those anticipated, due to the favourable currency exchange rate. Future project costs in Pound Sterling terms remain subject to future movements in the currency exchange rate.

Designated Funds

Designated Funds relate typically to legacy income, which has been used in the past to fund the construction of hospital buildings and housing in Mandritsara.

As anticipated in the 2023 accounts, the Trust has spent £40,000 from Designated Funds during 2024 in respect of the construction of an additional on-site Duplex house for doctors. It is anticipated that construction of this house will be completed in early 2025.

Designated Funds amounted to £161,207 (2023: £131,108) at the end of 2024.

Restricted Funds

At the start of the year there were 7 active Restricted Funds. At the year end this had increased to 9 active Restricted Funds. They accounted for £147,212 (2023: £37,303), representing 31 per cent (2023: 11 per cent) of the value of all funds, at the end of 2024. The Poor Fund and Radio Station Fund represented £46,672 (2023: £382) and £85,000 (2023: £0) respectively of these total Restricted Funds of £147,212 at 31 December 2024.

An agreement between the Trust and the Good News Project ("HVMM") makes clear the restricted purposes for which transferred Restricted Funds must be used, and requires HVMM to provide periodic reports to the Trust on the use of the Restricted Funds.

Local Funds

There are a number of Local Funds which are managed by AM-FM in Madagascar. These funds assist the members of the missionary team and various ministries in Mandritsara. For example:

- Members of the missionary team make payments to Local Funds which are then used to pay for the cost of items such as administrative services, language learning and accommodation in Mandritsara
- Local Funds are held by AM-FM from time to time for building teams which come from the UK to support building projects in Mandritsara.

Transfers between funds

£27,316 (2023: £1,858) was transferred from Restricted Funds to Designated Funds during 2024. In particular:

- Restricted Funds reimbursed Designated Funds for £26,100 (2023: £0) of expenditure in late 2023 on a new Community Health Vehicle which fell under the scope of Restricted Funds
- A further £1,216 (2023: £1,858) was transferred from Restricted Funds to Designated Funds during 2024. In this case, the Theatre Block Fund was using 2024 income to reimburse Designated Funds for part of the £7,493 transfer from Designated Funds to the Theatre Block Fund during 2022.

£10,000 (2023: £0) was transferred from Designated Funds to the General Fund during 2024. This was to ensure as far as reasonably possible that the General Fund remains in excess of 50% of anticipated annual expenditure for the whole of 2025.

£4,295 (2023: £0) was transferred from the General Fund to Restricted Funds during 2024. This was to extinguish a £4,295 deficit in the Maternity Expansion Fund held by the Trust as at 31 December 2024.

£319 (2023: £0) was transferred from the General Fund to Local Funds during 2024. This was in respect of a payment received in the UK for accommodation provided at the guest house in Mandritsara during 2024.

Reserves Policy

The Trustees seek to retain sufficient reserves to maintain the funding of the project in Mandritsara for a period of six months. The General Fund balance at the end of 2024 of £158,862 (2023: £145,541) is more than sufficient to support the project for six months (which would require £125,000), if there was no further income. Most of the surplus General Funds are held in the UK until payment is required in Madagascar.

The Trustees continue to consider the most appropriate use of Designated Funds, which amounted to £161,207 at the end of 2024 (2023: £131,108), including a legacy valued at £62,721 which is still to be received. It is anticipated that expenditure from Designated Funds during 2025 may include:

- A significant development project for the Radio Station with an expected total cost of the order of £150,000. Approximately £100,000 of the funding for this project has already been received by the Trust. Support will be provided from Designated Funds to the extent that insufficient funds are obtained from appeals to supporters and charitable trusts
- Support to the General Fund if this is required to ensure that the General Fund remains in excess of 6 months of budgeted expenditure.

Plans for future periods

The Trust will continue to fund the Good News Project in Mandritsara, and the Trust's budget for 2025 shows that it can continue supporting at the same level for the time being without significant extra giving.

The following major project is planned for 2025, as noted above:

- A significant development project for the Radio Station.

The Board of the Good News Project in Mandritsara has agreed a detailed five-year plan which includes details of anticipated construction / development projects which are likely to take place during the next few years. These plans include possible significant projects in respect of the hospital laboratory and the Good News School.

We will continue to seek personnel for the Good News Project who will maintain the improvements to the Project's financial controls and systems.

Structure, governance and management

Friends of Mandritsara Trust UK ("The Trust" or "FoMT") is a registered charity (1092709) and a company limited by guarantee, registered in England and Wales on 24 December 2001, registered number 4345183, governed by its Memorandum and Articles of Association. The address of the registered office is set out on page 2, which also lists the trustees who have served during the 2024 financial year, or who were in office at the date this report was approved. The Trustees are also directors of the Trust.

In Madagascar the Trust was represented by Ted Watts. Ted Watts is the field team leader, and the chairman of Amis de Mandritsara ("AM-FM"), a NGO registered with the Madagascar Government, which acts as an agent of the Trust.

The main aim of the Trust is to promote and support the Good News project in Mandritsara, a market town in northern Madagascar. The Good News Hospital (known locally as *Hopitaly Vaovao Mahafaly*) is the main part of the project, but it also includes the Good News School, and the Voice of the Good News radio station. The project is a collaboration between the Trust and the Association of Bible Baptist Churches in Madagascar (FBBM). The legal agreement governing the project in Madagascar is the *Statut de l'Hôpital Médico-Chirurgical Confessionnel Dénommé "Hopitaly Vaovao Mahafaly"*. The hospital board comprises up to five pastors designated by the board of the FBBM, including their president, up to three members representing the Trust, including the AM-FM Team Leader, two technicians (one medical and one financial) and the General Director of the Good News Hospital.

The Trustees have ultimate responsibility for processing applications from prospective overseas workers and students to join AM-FM at the Good News Project. The Trustees have delegated the day-to-day management of this process to the AM-FM Team Leader and the team member responsible for medical elective students.

The Trustees also have ultimate responsibility for the update of the website news and for website security. The Trustees delegated the day-to-day management of the website to an IT Consultant on a commercial basis during 2024 at a cost of £1,504 (2023: £2,121), which included the facilitation of a hybrid prayer day during 2024.

In the UK, the board of the Trust recruits new trustees to its number who are either existing Members of the company or known to the current trustees as having an interest in the project. It is typically the case that Trustees have been to Mandritsara to have personal knowledge of the Project, although other long-term / committed supporters can and have served as Trustees. The Trust has an agreed eight-step procedure for the appointment of new trustees, setting out what documents should be handed to a prospective trustee and then once appointed.

The Trustees currently have monthly meetings (usually by virtual conferencing platforms), which are supplemented with email conversations as required.

The Trustees maintain, and review on a regular basis, a wide range of policies and procedures, including a Child Safety Policy and an Internal Financial Controls Policy.

Significant risks

The Trustees have examined the major strategic, business and operational risks that the Trust faces and confirm systems have been established to monitor those risks so that the necessary steps can be taken to reduce them. The Trustees review the Risk Register on at least an annual basis. The principal potential risks identified by the Trustees, together with the principal mitigations put in place to manage these risks, are as follows:

Governance and management risks

These potential risks include the loss of focus or dilution of charitable aims, lack of clear priorities to enable strategic planning, inadequate training for Trustees, the geographical remoteness of the Trust from operational activities in Madagascar, a lack of cohesion between the Trust and the Good News Project, and disaster recovery and planning.

These risks are managed by regular review and adherence to the partnership agreement between the Trust and FBBM, training for Trustees, occasional visits by Trustees to Mandritsara, regular communication between the AM-FM Team Leader and the Trustees, including the Team Leader joining the regular monthly virtual Trustees meeting, and all Trust documents being stored electronically in secure cloud-based storage with periodic external secure back up.

Financial risks

These potential risks include a shortfall in funding or an unexpected increase in expenditure for the Project, loss of funds by the Trust or the Good News Project from investments, fraud or error, and currency exchange risks.

These risks are managed by maintaining the relationship with existing supporters through newsletters and prayer days, holding all funds in cash or cash equivalents with reputable banking institutions (or converting them into cash or cash equivalents when received in a different form), ensuring that General Fund reserves are in excess of six months of budgeted expenditure, engaging in a robust budgeting process each year for both the Trust and the Good News Project, adherence to the Trust's internal financial controls policy, the Treasurer circulating monthly Trust management accounts to the Trustees, the Trust Treasurer receiving regular monthly management accounts from the Good News Project and liaising regularly with the director of finance of the Good News Project, and the Trustees commissioning an annual external audit of the accounts of the Good News Project.

Child protection risks

These potential risks include safeguarding events affecting either children or vulnerable adults.

These risks are managed by strict adherence to separate safeguarding policies which apply to each of the Trust / AM-FM and the Good News Project. All Trustees or volunteers travelling from the UK to Mandritsara are required to have DBS checks in place. All AM-FM team members and volunteers receive appropriate safeguarding training.

External risks

These potential risks include external perceptions of the Trust, the closure of Madagascar borders due to external events such as COVID, and the personal health and safety of the AM-FM team and volunteers.

These risks are managed by keeping the website up-to-date, making AM-FM team members / volunteers aware of the risks of travel in Madagascar, all team members / volunteers are required to have comprehensive emergency medical insurance inclusive of evacuation cover, adherence to the Trust's social media policy, AM-FM contingency planning to cover emergency evacuation for non-medical reasons including political or civil unrest, and monitoring of legal and regulatory changes in Madagascar.

Compliance risks

These potential risks include failure to comply with laws and regulations in the UK and Madagascar.

These risks are managed by regular monitoring of changes in laws and regulations, the timely submission of accounts, and the implementation of a data protection policy.

Trustee Responsibilities

Under the Charities Act 2011 and under the Companies Act 2006, the Trustees are required to prepare a statement of accounts for each accounting year which gives a true and fair view of the state of affairs of the Friends of Mandritsara Trust UK.

They are required to:

- a) Select suitable accounting policies and apply them consistently.
- b) Make judgements and estimates that are reasonable and prudent.
- c) State whether the applicable accounting standards have been followed.
- d) Prepare the financial statements on an ongoing basis.

They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Friends of Mandritsara Trust UK and ensure that such accounts and records comply with the Charities Act 2011 and Companies Act 2006.

They also have a responsibility to safeguard the assets and liabilities of Friends of Mandritsara Trust UK and take reasonable steps to detect fraud or any other irregularities.

Approval

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

This report was approved by the Trustees on 17 March 2025

 V. PARSONSON 25/3/25

And signed on their behalf by V Parsonson (Secretary)

Friends of Mandritsara Trust UK

**Independent Examiner's report to the trustees of
Friends of Mandritsara Trust UK (the Company)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024, which are set out on pages 14 to 21.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

The Company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of Scotland.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: A Richard G Service CA
66 Southbrae Drive
Glasgow, G13 1QD

17 March 2025

Friends of Mandritsara Trust UK
Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 December 2024

	Unrestricted General	Unrestricted Designated	Restricted	Local	Total 2024	Total 2023
	£	£	£	£	£	£
Income						
<i>Charitable Income</i>						
Gifts	199,352	-	425,358	-	624,710	350,362
Legacy received	-	62,721	-	-	62,721	11,000
Income tax recoverable	30,168	-	8,127	-	38,295	38,247
	229,520	62,721	433,485	-	725,726	399,609
<i>Other income</i>						
AM-FM income	-	-	-	32,071	32,071	27,531
Bank interest (Trust and AM-FM)	7,992	-	-	-	7,992	5,721
Total Income	237,512	62,721	433,485	32,071	765,789	432,861
Expenditure						
<i>Charitable Expenditure</i>						
Project costs - Trust	225,454	49,938	295,123	-	570,515	515,411
Project costs – AM-FM	445	-	4,752	-	5,197	1,034
Other costs – AM-FM	-	-	-	29,562	29,562	25,978
Fundraising costs	214	-	-	-	214	418
UK administration costs	3,386	-	599	-	3,985	9,438
Total Expenditure	229,499	49,938	300,474	29,562	609,473	552,279
Net Income / (Expenditure) Before transfers	8,013	12,783	133,011	2,509	156,316	-119,418
Gross Transfers between Funds	5,386	17,316	-23,021	319	-	-
Currency Adjustment	-78	-	-81	18	-141	-1,470
Net Income / (Expenditure)	13,321	30,099	109,909	2,846	156,175	-120,888
Fund Balances, 1 Jan 2024	145,541	131,108	37,303	11,122	325,074	445,962
Fund Balances, 31 Dec 2024	158,862	161,207	147,212	13,968	481,249	325,074

Friends of Mandritsara Trust UK

Balance Sheet as at 31 December 2024

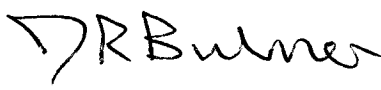
	2024 £	2023 £
Fixed Assets	-	-
Current assets		
<u>UK assets</u>		
Bank balances	318,044	270,345
Investments	42,706	0
Debtors & prepayments	102,815	34,149
	<u>463,565</u>	<u>304,494</u>
<u>Madagascar assets – AM-FM</u>		
Bank balances	16,096	18,920
Cash	2,637	1,318
Debtors & prepayments	309	825
	<u>19,042</u>	<u>21,063</u>
Creditors: amounts falling due within one year		
Creditors & accruals - UK	-719	-120
Creditor & accruals - Madagascar	-639	-363
NET ASSETS	<u>481,249</u>	<u>325,074</u>
Funds		
General Fund	158,862	145,541
Designated Fund	161,207	131,108
Restricted Funds	147,212	37,303
Local Funds	13,968	11,122
TOTAL FUNDS	<u>481,249</u>	<u>325,074</u>

For the year ending 31 December 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparation of accounts.

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

Signed: 
J R Bulmer (Treasurer)

Date: 17 March 2025

Friends of Mandritsara Trust UK

Statement of Cash Flows

	2024 £	2023 £
Cash flows from operating activities		
Net cash provided by (used by) operating activities	38,202	-77,120
Cash flows from investing activities		
Interest	7,992	5,721
Net cash provided by investing activities	7,992	5,721
Cash flows from financing activities		
Change in cash and cash equivalents in the reporting period	46,194	-71,399
Cash and cash equivalents at the start of the reporting period	290,583	361,982
Cash and cash equivalents at the end of the reporting period	336,777	290,583
Reconciliation of net income / (expenditure) to net cash flows from operating activities		
Net income / (expenditure) for the reporting period (as per the Statement of Finance Activities)	156,175	-120,888
Adjustment for:		
Interest from investments	-7,992	-5,721
Decrease / (increase) in investments	-42,706	54,700
(Increase) in debtors	-68,150	-4,835
(Decrease) / increase in creditors	875	-376
Net cash provided by (used in) operating activities	38,202	-77,120
Analysis of cash and cash equivalents		
Cash in hand	2,637	1,318
Short term bank deposits	334,140	289,265
Total cash and cash equivalents	336,777	290,583

Friends of Mandritsara Trust UK

Notes to the accounts for the year ended 31 December 2024

Accounting Policies

- a) The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice: Accounting by Charities (FRS102) (issued October 2019).
- b) Voluntary income is received by way of gifts and donations and is included in full in the Statement of Financial Activities when received.

Donations arising under Gift Aid together with the tax recoverable thereon are accounted when received and tax unclaimed at the year-end is recognised in debtors.

Resources expended are charged in the accounts in the period in which they incurred. They include attributable VAT, which cannot be recovered.

- c) Restricted funds are to be used for specific purposes as laid down by the donor.

Designated funds are unrestricted funds allocated for specific purposes by the trustees.

Unrestricted funds are donations and other incomes received or generated for the objects of the charity without further specified purpose and are available as general funds.

- d) Tangible fixed assets.

Small items of fixed and movable equipment are written off as the expenditure is incurred. The Company has no tangible fixed assets.

- e) The accounts show the combined results of the Trust and Amis de Mandritsara ("AM-FM"), a NGO registered with the Madagascar Government. AM-FM is considered to be a branch of the Trust.

- f) Basis of conversion of AM-FM transactions to Sterling.

All transactions undertaken by AM-FM are in Madagascan Ariary. For the purpose of these accounts, these Ariary amounts have been converted to Sterling using the following currency exchange rates:

- Fund values in Ariary at the start and end of the financial year are converted to Sterling using the applicable currency exchange rates at those dates

Trustees' Annual Report - continued

- Income and expenditure in Ariary during a calendar month are converted to Sterling using the average of the applicable currency exchange rates at the start and end of that month.

The accounts also include a currency adjustment, which reflects movements in the Sterling value of AM-FM assets during the year which are due to movements during the year in the currency exchange rate between Sterling and the Madagascan Ariary.

Salaries and related employment costs paid by AM-FM to full-time and part-time employees in Mandritsara

	General Funds	Designated Funds	Restricted Funds	Local Funds	Total
	£	£	£	£	£
2024 salaries	-	-	-	9,904	9,904
2023 salaries	-	-	-	8,542	8,542

No Trustees or any person connected to them was paid remuneration during either 2023 or 2024.

Trustee expenses - 2024

Expenses reimbursed to Trustees by the Trust during the period amounted to £0 (2023: £0).

Donated facilities and services

Members of the AM-FM missionary team and volunteers who travel to Mandritsara are responsible for paying all of their travel, housing and maintenance costs.

Except for the reimbursed Trustee expenses which are detailed above, Trustees and Members of FoMT give voluntarily of their time and money in fulfilling their roles as Trustees and Members.

Grants Payable

The Trust paid the following grants to the Good News Hospital during 2024:

- £206,500 (2023: £221,303) in respect of Unrestricted General Funds
- £46,942 (2023: £50,000) in respect of Designated Funds
- £225,000 (2023: £104,130) in respect of Restricted Funds.

Cash at bank in the UK (Trust)	2024 £	2023 £
Current account	100	100
Deposit account	163,014	169,132
35-day notice account	154,930	100,661
PayPal account	0	452
Total	318,044	270,345

Trustees' Annual Report - continued

	2024 £	2023 £
Investments in the UK (Trust)		
Donated shares	42,706	0
Cash at bank in Madagascar (AM-FM)		
Current account	5,464	4,230
Deposit account	10,632	14,690
Total	16,096	18,920

Debtors & Prepayments in the UK (Trust)		
Income tax recoverable on Gift Aid donations	38,574	33,925
Cash offering not yet banked	0	53
Charity voucher refunds due	1,520	171
Legacy to be received	62,721	0
	102,815	34,149

Movement in Funds during 2024

	1 Jan 2024 £	Income £	Expenditure £	Transfers £	Currency Adjustment £	31 Dec 2024 £
Unrestricted Funds	145,541	237,512	-229,499	5,386	-78	158,862
Designated Funds	131,108	62,721	-49,938	17,316	-	161,207
Restricted Funds	37,303	433,485	-300,474	-23,021	-81	147,212
Local Funds	11,122	32,071	-29,562	319	18	13,968
Total Funds	325,074	765,789	-609,473	-	-141	481,249

Movement in Funds during 2023

	1 Jan 2023 £	Income £	Expenditure £	Transfers £	Currency Adjustment £	31 Dec 2023 £
Unrestricted Funds	175,724	209,049	-238,488	-	-744	145,541
Designated Funds	195,607	16,673	-83,030	1,858	-	131,108
Restricted Funds	64,336	179,608	-204,783	-1,858	-	37,303
Local Funds	10,295	27,531	-25,978	-	-726	11,122
Total Funds	445,962	432,861	-552,279	-	-1,470	325,074

Trustees' Annual Report - continued

Analysis of Net Assets between Funds at 31 December 2024

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
<u>Trust - UK</u>					
Cash at Bank	123,962	98,486	95,596	-	318,044
Investments	-	-	42,706	-	42,706
Debtors	30,585	62,721	9,509	-	102,815
Creditors	-120	-	-599	-	-719
<u>AM-FM – Madagascar</u>					
Bank Balances	1,798	-	-	14,298	16,096
Cash	2,637	-	-	-	2,637
Debtors	-	-	-	309	309
Creditors	-	-	-	-639	-639
Total Funds	158,862	161,207	147,212	13,968	481,249

Analysis of Net Assets between Funds at 31 December 2023

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
<u>Trust - UK</u>					
Cash at Bank	113,909	131,108	25,328	-	270,345
Investments	-	-	-	-	-
Debtors	22,174	-	11,975	-	34,149
Creditors	-120	-	-	-	-120
<u>AM-FM - Madagascar</u>					
Bank Balances	8,260	-	-	10,660	18,920
Cash	1,318	-	-	-	1,318
Debtors	-	-	-	825	825
Creditors	-	-	-	-363	-363
Total Funds	145,541	131,108	37,303	11,122	325,074

Related party

The Trustees consider that the Good News Hospital ("HVMM") is a related party of Friends of Mandritsara Trust (the "Trust"), as defined in the Statement of Recommended Practice: Accounting by Charities (FRS102) (issued October 2019).

The Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2024 shows that:

- 2024 project costs - Trust amounted to £225,454 (2023: £233,339) in respect of Unrestricted General Funds. This figure includes £206,500 (2023: £221,303) of transfers from the Trust to HVMM
- 2024 project costs – Trust amounted to £49,938 (2023: £77,289) in respect of Designated Funds. This figure includes £46,942 (2023: £50,000) of transfers from the Trust to HVMM
- 2024 project costs - Trust amounted to £295,123 (2023: £204,783) in respect of Restricted Funds. This figure includes £225,000 (2023: £104,130) of transfers from the Trust to HVMM
- 2024 project costs – AM-FM amounted to £445 (2023: £1,034) in respect of Unrestricted General Funds. This figure includes £445 (2023: £531) of transfers from AM-FM to HVMM
- 2024 project costs – AM-FM amounted to £4,752 (2023: £0) in respect of Restricted Funds. This figure includes £0 (2023: £0) of transfers from AM-FM to HVMM.

In addition, AM-FM made a number of regular payments to HVMM in respect of items such as:

- Rent and electricity/water charges in respect of the guest house
- Agreed contributions towards the costs of the office in Antananarivo
- Salary costs of the AM-FM administrator
- Tax payments.

Total donations (excluding income tax recoverable) received by the Trust without conditions during 2024 from Trustees or other related parties amounted to £36,786 (2023: £37,261).

FRIENDS OF MANDRITSARA TRUST

England & Wales - Charity number 1092709

Accounts

FRIENDS OF MANDRITSARA TRUST UK

REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2023

Company limited by guarantee

Registered number: 4345183

Registered Charity

Number: 1092709

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FRIENDS OF MANDRITSARA TRUST UK

LEGAL & ADMINISTRATIVE DETAILS

YEAR ENDED 31 DECEMBER 2023

Legal	Registered charity number: 1092709 Company limited by guarantee, registered in England and Wales number: 4845183
Registered Office	29 Priory Road, Needingworth, Cambridgeshire PE27 4SD
Trustees and Directors	Tamsin Booth Alison Brownell John Richard Bulmer - (Treasurer) Catherine Grierson - appointed on 22 August 2023 Nathan Lawrence - appointed on 22 August 2023 David Mann Victoria Parsonson - (Secretary) Douglas Robertson - appointed Chair on 19 September 2023 John Whitaker - (Chair) - resigned on 19 September 2023
Field Team Leader	Ted Watts
Bankers	National Westminster Bank Plc 98, Wandsworth High Street London SW18 4ZD
Independent Examiner	At Richard G Service, CA 66 Southbrae Drive Glasgow, G13 1QD

FRIENDS OF MANDRITSARA TRUST UK

Trustees' Annual Report for 12 months ended 31 December 2023

Objects and activities

Charitable Objects

The principal objects of *Friends of Mandritsara Trust* (the "Trust" or "FoMT") are:

1. The advancement of religion in accordance with the doctrines and principles of protestant and evangelical Christian faith
2. The relief of ill-health and sickness throughout Madagascar and elsewhere.

This is done primarily through providing financial resources and seeking missionary staff and volunteers for the Good News project in Mandritsara, a market town in northern Madagascar. The project includes a 44-bed hospital with surgical and medical facilities, a 13-bed maternity unit, 4 post-surgical beds, 4 high dependency unit (HDU) beds, a school and a radio station. Members of the Friends of Mandritsara team also assist with the training of village church leaders. The Good News project is the property of the Association of Bible Baptist Churches in Madagascar. The Trust has a partnership agreement with the Association of Bible Baptist Churches in Madagascar.

Activities

The Trust undertakes the following principal functions under the headings of Pray, Give and Go. The Trust aims to:

- Encourage prayer for the Project. This is done by sending regular news and prayer letters, through the use of social media and the website (www.mandritsara.org.uk) and by arranging prayer meetings. In addition, hospital staff, volunteers and trustees speak at church meetings.
- Raise finance for the hospital and related activities in Mandritsara
- Recruit Christian medical and support personnel to assist in the Project on short-term or long-term placements...

The process for recruiting voluntary workers requires that each must have a work permit issued by the government before obtaining a courtesy visa to enter Madagascar. The Trust has set up procedures to cope with this, and a volunteer section on its website to assist new volunteers.

The funds raised are sent to Mandritsara, Madagascar as required, to supplement the fees received from patients in the hospital and pupils in the school. Monthly payments are made direct from the Trust to the hospital on the basis of the agreed annual project budget.

The hospital runs an outpatients clinic each Monday to Friday, with planned surgery on Tuesdays and Thursdays. There is an ophthalmic department which undertakes cataract operations and dispenses glasses. The hospital provides an emergency facility twenty-four hours a day, seven days a week. Gospel services are held each morning in the wards and Monday to Friday in the outpatients' department, to share the good news of Jesus as set out in the evangelical Christian faith.

There is a community health team which is very active in outlying areas, visiting villages in the Mandritsara district (which is the size of Yorkshire) and beyond to provide immunisations and health care, and advising on water facilities, toilet building projects and general health education. The team works in close collaboration with the government health department. The opportunity is taken to share the gospel at the villages visited by the team. About six times each year the team is assisted by Héli mission, a Christian helicopter mission, which flies teams to outlying villages which are very difficult to reach overland in dry weather, but often completely inaccessible from Mandritsara during the rainy season...

The Good News School (*Ecole Bonne Nouvelle*) was founded in 1998. The school ranges from the first year of pre-school (age 3) to the fourth year of secondary education (age 15). The medium of education is French.

The "Voice of the Good News" radio is a Christian radio station that broadcasts daily over a broad area. This is run by a staff of four and is on air from 4.30am to 11pm, seven days a week. It is also used for public service broadcasting and notifying people in outlying villages when the community health team will be visiting, and of other health campaigns.

Public Benefit

The Good News Project does not charge its beneficiaries the full cost of treatment or education received. Only local Malagasy staff are paid salaries. The resident missionary staff and all visiting workers have to raise their own support, so their services are provided at no cost to the beneficiaries.

Madagascar is a very financially poor country and so patient fees are set at a level appropriate to the context. Nevertheless, some patients are unable to pay even the modest fees charged by the hospital. In these cases, no patients are refused medical treatment, and extra help may be given to cover part or the whole of the cost of their hospital treatment. All patients are treated regardless of race, religion, age or other factors.

The training and support of volunteer doctors, medical students and student nurses from the UK who visit Mandritsara, gives them experience, which enriches their training and practice when they return to work in their home countries. Some visitors, particularly, visiting surgeons from the UK, elsewhere in Europe, Canada, Australia and New Zealand, also train the staff at the hospital in Mandritsara.

Effect of general financial conditions on the Good News Project and FoMIT

The Trustees have been encouraged that the level of General Fund donations to the Trust has held up well during 2023, despite relatively adverse financial conditions in the UK. The Trustees are very grateful for all donations received from supporters during 2023.

The Trustees have carefully reviewed income and expenditure of both the Trust and the Good News Project from time to time, and modelled several possible scenarios. It remains possible that the Trust may need to contribute additional funds to the Project during 2024 if there is a resurgence of inflation in Madagascar which affects the finances of the Good News Project.

Achievements and performance

The project continues to serve a wide area. During 2023 the doctors at the Good News Hospital (Hopitaly Vaovao Mahafaly, or "HVMH"), undertook 11,154 (13,134 in 2022) outpatient consultations, the ward staff received 1,400 (1,361 in 2022) medical inpatients and 1,630 (1,835 in 2022) surgical inpatients; surgeons performed 1,922 (1,748 in 2022) surgical procedures, and midwives (and/or surgeons) delivered 801 babies (799 in 2022). The eye team undertook 6,219 (6,708 in 2022) consultations and the eye surgeon performed 358 (451 in 2022) cataract operations.

The Eye department made 3 visits to Mananara during 2023 (2 in 2022), to see eye patients, prescribe spectacles and operate on patients with cataracts. Mananara is a town similar in size to Mandritsara, but over on the east coast and inaccessible by road from Mandritsara. Visits to Mananara have to be made by Mission Aviation Fellowship (MAF) plane. The team carried out 739 eye consultations during 2023 (845 in 2022) and 36 cataract operations (65 in 2022) in Mananara.

The Eye department also made 2 visits to Bealanana during 2023 (0 in 2022) and carried out 20 cataract operations there (0 in 2022).

The "Voice of the Good News" radio station broadcasts to the district each day from early morning to late evening. There is Bible teaching, health education, cookery lessons, and French and English lessons each day.

The Community Health team has been particularly focussing on sanitation in recent years, heading up a region-wide sanitation project for the Mandritsara district. The team continues to visit village communities to encourage and to teach on sanitation and to perform vaccinations. The Community Health team carried out 291 (69 in 2022) separate vaccination sessions in 2023, and visited 274 different villages in 2023 (195 in 2022).

Hellimission visited 6 times during 2023 (5 in 2022), for 6 weeks of mission, taking small teams out to remote villages for vaccinations, health education and Christian outreach.

The Good News School (BBN) is still the best-performing school in the district. There are currently 450 (450 in 2022) pupils from 3-15 years.

During 2023, there were 16 adults (with 14 children) from the UK, Australia, Belgium, Canada, France and Switzerland who are serving at the project for more than three months in a variety of roles, including as general doctors, surgeons, nurses, a midwife and teachers. There were 85 short-term workers or visitors to the project from outside Madagascar during 2023 (79 in 2022).

Financial review

The Trustees consider that AM-FM (the Trust's Madagascar NGO) is a branch of the Trust for accounting purposes. The figures in these accounts relate to the combination of the Trust and AM-FM except where stated otherwise. The notes to these accounts show the components of the key figures in these accounts for each of the Trust and AM-FM.

The primary source of income for the Trust continues to be gifts and donations from individual supporters of the project, with other donations from supporting churches, trusts and fundraising activities. The income from gifts and donations, excluding legacy, Gift Aid refunds and AM-FM income, in 2023 amounted to £350,362 (2022: £479,823), a reduction of £129,461 (2022: an increase of £198,375). This 2023 income figure of £350,362 includes a total amount of £5,673 (2022: £132,700) in respect of the two properties which were donated to the Trust during 2022.

The total income including legacy, income tax on Gift Aid in 2023 and AM-FM income was £432,861 (2022: £537,612), a reduction from the previous year of £104,751 (2022: an increase of £199,975), a reduction of 19% (2022: an increase of 59%).

This reduction in income of £104,751 is broken down as follows:

- A reduction of £48,381 in respect of the General Fund. The 2022 General Fund income figure included a large donation
- A reduction of £116,230 in respect of Designated Funds, which is due to the two properties which were donated to the Trust during 2022
- An increase of £58,138 in respect of Restricted Funds
- An increase of £11,722 in respect of Local Funds.

There was a 24% increase in Gift Aid refunds in 2023 (2022: 13% increase) from £30,899 in 2022 to £38,247 in 2023.

We also promote the website and online giving. We have an online Gift Aid declaration page which simplifies and speeds up the sign-up process for Gift Aid.

Expenditure by the Trust and AM-FM to or for the benefit of the Good News Project in Mandritsara ("Project costs") during 2023, including Restricted Funds, amounted to £516,445 (2022: £345,846). This increase of £170,599 (2022: a reduction of £30,587) largely reflects the increased expenditure of £204,783 (2022: £71,308) of Restricted Funds on various capital projects and other items during 2023.

The Pound Sterling increased in value against the Ariary during 2023. Overall, General Fund project costs during 2023 in Pound Sterling terms have been lower to some extent than those anticipated, due to the favourable currency exchange rate. Future project costs in Pound Sterling terms remain subject to future movements in the currency exchange rate.

Designated Funds

Designated Funds relate typically to legacy income, which has been used in the past to fund the construction of hospital buildings and housing in Mandritsara.

As reported in the 2022 accounts, the Trust received a generous donation from a supporter of two small apartments in the North of England during the first quarter of 2022. These two properties were transferred to the Trust on 14 January 2022 and 15 March 2022 respectively. The Trustees decided to sell the properties to convert their value into cash or cash equivalents. The first property was sold for £78,000 on 28 June 2022. The second property was sold for £60,000 on 7 February 2023. The Trust expended £5,741 on administration costs during early 2023 (2022: £13,385) to support the costs associating with owning the second donated property, and its subsequent sale. These expenses are shown as Designated Fund administration costs in the Statement of Financial Activities.

As anticipated in the 2022 accounts, the Trust has spent £50,000 from Designated Funds during 2023 in respect of the construction of an additional on-site Duplex House for doctors. It is anticipated that construction of this house will be completed in early 2024.

It was anticipated in the 2022 accounts that around £100,000 would be spent by the Trust during 2023 to improve the robustness of the supply of electricity and water to the Good News Project, including the instalment of new additional wiring and water pipes, the construction of a new water borehole and the purchase of a new electrical generator and voltage regulator. In the event, this work was funded by a combination of Restricted Fund income received by the Trust and funds received by the Good News Project from another source.

It was anticipated in the 2022 accounts that around £250,000 would be spent during 2023 and 2024 on a new building at the Good News Hospital, including an expanded maternity unit. It now appears that the total cost of this project will be of the order of £360,000, due to some extensions to the scope of the project, and inflation in the costs of purchasing medical equipment. We are very pleased to report that it appears likely that the total estimated cost of approximately £360,000 will be fully funded by donations from FoMIT supporters (individuals, churches and trusts). We are very grateful to everyone who has contributed towards this appeal for the expanded maternity unit, and we thank God for His gracious provision. Construction has commenced and we anticipate that the expanded maternity unit will be fully operational by the end of 2024.

Designated Funds amounted to £131,108 (2022: £195,607) at the end of 2023.

Restricted Funds

At the start of the year there were 9 active Restricted Funds. At the year end this had reduced to 7 active Restricted Funds. They accounted for £37,303 (2022: £64,836), representing 11 per cent (2022: 14 per cent) of the value of all funds, at the end of 2023. The Infrastructure Fund represented £20,291 (2022: £50,000) of these total Restricted Funds of £37,303 at 31 December 2023.

Prior to the end of 2018, Restricted Funds would have been transferred from the Trust to AM-FM, and then progressively released to the Good News Hospital ("HVMH") over time. The Trustees decided towards the end of 2018 to simplify the administration of AM-FM, and to transfer certain Restricted Fund amounts to HVMH. An agreement between the Trust and HVMH makes clear the restricted purposes for which transferred Restricted Funds must be used, and requires HVMH to provide periodic reports on the use of the Restricted Funds. The agreement was signed on 31 December 2018. Transfers of Restricted Funds have taken place from the Trust to HVMH from time to time during 2022 and 2023.

Local Funds

There are a number of Local Funds which are managed by AM-FM in Madagascar. These funds assist the members of the missionary team and various ministries in Mandritsara. For example:

- Members of the missionary team make payments to Local Funds which are then used to pay for the cost of items such as administrative services, language learning and accommodation in Mandritsara
- Local Funds are held by AM-FM from time to time for building teams which come from the UK to support building projects in Mandritsara.

Transfers between funds

£1,858 (2022: £0) was transferred from Restricted Funds to Designated funds during 2023. In this case, the Theatre Block Fund was using 2023 income to reimburse Designated Funds for part of the £7,493 transfer from Designated Funds to the Theatre Block Fund during 2022.

Reserves Policy

The Trustees seek to retain sufficient reserves to maintain the funding of the project in Mandritsara for a period of six months. The General Fund balance at the end of 2023 of £145,541 (2022: £175,724) is more than sufficient to support the project for six months (which would require £117,500), if there was no further income. Most of the surplus General Funds are held in the UK until payment is required in Madagascar.

The Trustees continue to consider the most appropriate use of Designated Funds, which amounted to £131,108 at the end of 2023 (2022: £195,607). It is anticipated that expenditure from Designated Funds during 2024 may include:

- The construction of another on-site Duplex house for doctors, which is likely to cost approximately £50,000.
- Potential support for the construction of the expanded maternity unit described below under "Plans for future periods", to the extent that insufficient funds are obtained from appeals to supporters and charitable trusts. However, as noted above, it appears likely that this project will be fully funded by donations from supporters.
- Support to the General Fund if this is required to ensure that the General Fund remains in excess of 6 months of budgeted expenditure.

Plans for future periods

The Trust will continue to fund the Good News Project in Mandritsara, and the Trust's budget for 2024 shows that it can continue supporting at the same level for the time being without significant extra giving.

The following major project is planned for 2024, as noted above:

- The construction of an expanded maternity unit at the Good News Hospital. This will include a new maternity ward, additional beds for non-maternity patients, and more rooms for the doctors, plus related medical equipment (the current anticipated total cost is of the order of £360,000). Construction work commenced in December 2023, and it is anticipated that the expanded maternity unit will be fully operational before the end of 2024.

The funds required for the above project have come from a combination of an appeal to our supporters and an appeal to charitable trusts in the UK and overseas. The Trust expects to fully fund the cost of this project by donations to the Good News Project by FoMT, and so the buildings / infrastructure will be owned by the Good News Project rather than by FoMT.

We will continue to seek personnel for the Good News Project who will maintain the improvements to the Project's financial controls and systems.

Structure, governance and management

Friends of Mandritsara Trust UK ("The Trust" or "FoMT") is a registered charity (1092709) and a company limited by guarantee, registered in England and Wales on 24 December 2001, registered number 4345183, governed by its Memorandum and Articles of Association. The address of the registered office is set out on page 2, which also lists the trustees who have served during the 2023 financial year or who were in office at the date this report was approved. The Trustees are also directors of the Trust.

Our Chairman, John Whitaker, stepped down from the Board on 19 September 2023 and was replaced as Chairman by one of our existing Trustees, Douglas Robertson. We would like to express our thanks to John Whitaker for his excellent service as Chairman since 2017. We were also pleased to welcome two new Trustees during 2023, Catherine Grierson and Nathan Lawrence.

In Madagascar the Trust was represented by Ted Watts. Ted Watts is the field team leader, and the chairman of Amis de Mandritsana ("AM-FM"), a NGO registered with the Madagascar Government, which acts as an agent of the Trust.

The main aim of the Trust is to promote and support the Good News project in Mandritsara, a market town in northern Madagascar. The Good News Hospital (known locally as *Hopitaly Vaovao Mahafaly*) is the main part of the project, but it also includes the Good News School, the Voice of the Good News radio station and a nursing and midwifery school. The project is a collaboration between the Trust and the Association of Bible Baptist Churches in Madagascar (FBBM). The legal agreement governing the project in Madagascar is the *Statut de l'Hôpital Médico-Chirurgical Confessionnel Dénommé "Hopitaly Vaovao Mahafaly"*. The Hospital board comprises up to five pastors designated by the board of the FBBM, including their president, up to three members representing the Trust, including the AM-FM Team Leader, two technicians (one medical and one financial) and the General Director of the Good News Hospital.

The Trustees have ultimate responsibility for processing applications from prospective overseas workers and students to join AM-FM at the Good News Project. The Trustees have delegated the day-to-day management of this process to the AM-FM Team Leader and the team member responsible for medical elective students.

The Trustees also have ultimate responsibility for the update of the website news and for website security. The Trustees have delegated the day-to-day management of the website to an IT Consultant on a commercial basis during 2023 at a cost of £2,121 (2022: £2,027), which included the facilitation of a hybrid prayer day during 2023. £0 of these expenses (2022: £1,000) were covered by a specific donation from a supporter of the Trust.

In the UK, the board of the Trust recruits new trustees to its number who are either existing Members of the company or known to the current trustees as having an interest in the project. It is typically the case that Trustees have been to Mandritsara to have personal knowledge of the Project, although other long-term / committed supporters can and have served as Trustees. The Trust has an agreed eight-step procedure for the appointment of new trustees, setting out what documents should be handed to a prospective trustee and then once appointed.

The Trustees, who are the directors of the limited liability company, currently have monthly meetings (usually by virtual conferencing platforms), which are supplemented with email conversations as required.

The Trustees maintain and review on a regular basis a wide range of policies and procedures, including a Child Safety Policy and an Internal Financial Controls Policy.

Significant risks

The Trustees have examined the major strategic, business and operational risks that the Trust faces and confirm systems have been established to monitor those risks so that the necessary steps can be taken to reduce them. The Trustees review the Risk Register on at least an annual basis. The principal potential risks identified by the Trustees, together with the principal mitigations put in place to manage these risks, are as follows:

Governance and management risks

These potential risks include the loss of focus or dilution of charitable aims, lack of clear priorities to enable strategic planning, inadequate training for Trustees, the geographical remoteness of the Trust from operational activities in Madagascar, a lack of cohesion between the Trust and the Good News Project, and disaster recovery and planning.

These risks are managed by regular review and adherence to the partnership agreement between the Trust and AM-FM, training for Trustees, occasional visits by Trustees to Mandritsara, regular communication between the AM-FM Team Leader and the Trustees, including the Team Leader joining the regular monthly virtual Trustees meeting, and all Trust documents being stored electronically in secure cloud-based storage with periodic external secure back up.

Financial risks

These potential risks include a shortfall in funding or an unexpected increase in expenditure for the Project, loss of funds by the Trust or the Good News Project from investments, fraud or error, and currency exchange risks.

These risks are managed by maintaining the relationship with existing supporters through newsletters and prayer days, holding all funds in cash or cash equivalents with reputable banking institutions (or converting them into cash or cash equivalents when received in a different form), ensuring that General Fund reserves are in excess of six months of budgeted expenditure, engaging in a robust budgeting process each year for both the Trust and the Good News Project, adherence to the Trust's internal financial controls policy, the Treasurer circulating monthly Trust management accounts to the Trustees, the Trust Treasurer receiving regular monthly management accounts from the Good News Project and liaising regularly with the director of finance of the Good News Project, and the Trustees commissioning an annual external audit of the accounts of the Good News Project.

Child protection risks

These potential risks include safeguarding events affecting either children or vulnerable adults.

These risks are managed by strict adherence to separate safeguarding policies which apply to each of the Trust / AM-FM and the Good News Project. All Trustees or volunteers travelling from the UK to Mandritsara are required to have DBS checks in place. All AM-FM team members and volunteers receive appropriate safeguarding training.

External risks

These potential risks include external perceptions of the Trust, the closure of Madagascar borders due to external events such as COVID, and the personal health and safety of the AM-FM team and volunteers.

These risks are managed by keeping the website up-to-date, making AM-FM team members / volunteers aware of the risks of travel in Madagascar, all team members / volunteers are required to have comprehensive emergency medical insurance inclusive of evacuation cover, adherence to the Trust's social media policy, AM-FM contingency planning to cover emergency evacuation for non-medical reasons including political or civil unrest, and monitoring of legal and regulatory changes in Madagascar.

Compliance risks

These potential risks include failure to comply with laws and regulations in the UK and Madagascar.

These risks are managed by regular monitoring of changes in laws and regulations, the timely submission of accounts, and the implementation of a data protection policy.

Trustee Responsibilities

Under the Charities Act 2011 and under the Companies Act 2006, the Trustees are required to prepare a statement of accounts for each accounting year which gives a true and fair view of the state of affairs of the Friends of Mandritsara Trust UK.

They are required to:

- a) Select suitable accounting policies and apply them consistently.
- b) Make judgements and estimates that are reasonable and prudent.
- c) State whether the applicable accounting standards have been followed.
- d) Prepare the financial statements on an ongoing basis.

They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Friends of Mandritsara Trust UK and ensure that such accounts and records comply with the Charities Act 2011 and Companies Act 2006.

They also have a responsibility to safeguard the assets and liabilities of Friends of Mandritsara Trust UK and take reasonable steps to detect fraud or any other irregularities.

Approval

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

This report was approved by the Trustees on 18 March 2024.



And signed on their behalf by V Parsonson (Secretary)

Friends of Mandritsara Trust UK

**Independent Examiner's report to the trustees of
Friends of Mandritsara Trust UK (the Company)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023, which are set out on pages 15 to 22.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5), (b) of the 2011 Act.

Independent examiner's statement

The Company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of Scotland.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: A. Richard G. Service, CA
66 Southbrae Drive
Glasgow, G13 1QD

18 March 2024

Friends of Mandritsara Trust UK
Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 December 2023

	Unrestricted General	Unrestricted/ Designated	Restricted	Local	Total 2023	Total 2022
	£	£	£	£	£	£
Income						
<i>Charitable Income:</i>						
Gifts	178,272	5,673	166,417	-	350,362	479,823
Legacy received	-	11,000	-	-	11,000	-
Income tax recoverable	25,056	-	13,191	-	38,247	30,899
	203,328	16,673	179,608	-	399,609	510,722
<i>Other income</i>						
AM-FM income	-	-	-	27,531	27,531	25,809
Bank interest (Trust and AM-FM)	5,721	-	-	-	5,721	1,081
Total Income	209,049	16,673	179,608	27,531	432,861	537,612
Expenditure						
<i>Charitable Expenditure:</i>						
Project costs - Trust	233,339	77,289	204,783	-	515,411	345,348
Project costs - AM-FM	1,034	-	-	-	1,034	498
Other costs - AM-FM	-	-	-	25,978	25,978	19,599
Fundraising costs	418	-	-	-	418	244
UK administration costs	3,697	5,741	-	-	9,438	17,226
Total Expenditure	238,488	88,030	204,783	25,978	552,279	382,915
Net Income / (Expenditure) Before transfers	-29,439	-66,357	-25,175	1,553	-119,418	154,697
Gross Transfers between Funds	-	1,858	-1,858	-	-	-
Currency Adjustment	-744	-	-	-726	-1,470	-832
Net Income / (Expenditure)	-30,183	-64,499	-27,033	827	-120,888	153,865
Fund Balances, 1 Jan 2023	175,724	195,607	64,336	10,295	445,962	292,097
Fund Balances, 31 Dec 2023	145,541	131,108	37,303	11,122	325,074	445,962

Friends of Mandritsara Trust UK

Balance Sheet as at 31 December 2023

	2023 £	2022 £
Fixed Assets	-	-
Current assets		
<u>UK assets</u>		
Bank balances	270,345	340,902
Investments	0	54,700
Debtors & prepayments	34,149	29,347
	<u>304,494</u>	<u>424,949</u>
<u>Madagascar assets – AM-FMI</u>		
Bank balances	18,920	19,834
Cash	1,318	1,246
Debtors & prepayments	825	792
	<u>21,063</u>	<u>21,872</u>
Creditors: amounts falling due within one year		
Creditors & accruals - UK	-120	-120
Creditor & accruals - Madagascar	-363	-739
	<u>-483</u>	<u>-859</u>
NET ASSETS	<u>325,074</u>	<u>445,962</u>
Funds		
General Fund	145,541	175,724
Designated Fund	131,108	195,607
Restricted Funds	37,303	64,336
Local Funds	11,122	10,295
	<u>325,074</u>	<u>445,962</u>
TOTAL FUNDS	<u>325,074</u>	<u>445,962</u>

For the year ending 31 December 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparation of accounts.

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

Signed:



J.R. Bulmer (Treasurer)

Date: 18 March 2024

Friends of Mandritsara Trust UK

Statement of Cash Flows

	2023: £	2022: £
Cash flows from operating activities:		
Net cash provided by (used by) operating activities	-77,120	98,297
Cash flows from investing activities		
Interest	5,721	1,081
Net cash provided by (used by) investing activities	5,721	1,081
Cash flows from financing activities		-
Change in cash and cash equivalents in the reporting period	-71,399	99,378
Cash and cash equivalents at the start of the reporting period	361,982	262,604
Cash and cash equivalents at the end of the reporting period	290,583	361,982
Reconciliation of net income / (expenditure) to net cash flows from operating activities:		
Net income / (expenditure) for the reporting period (as per the Statement of Finance Activities)	-120,888	153,865
Adjustment for:		
Interest from investments	-5,721	-1,081
Decrease / (increase) in investments	54,700	-54,700
(Increase) in debtors	-4,835	-526
(Decrease) / increase in creditors	-376	739
Net cash provided by (used in) operating activities	-77,120	98,297
Analysis of cash and cash equivalents:		
Cash in hand	1,318	1,246
Short term bank deposits	289,265	360,736
Total cash and cash equivalents	290,583	361,982

Friends of Mandritsara Trust UK

Notes to the accounts for the year ended 31 December 2023

Accounting Policies

a) The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice: Accounting by Charities (FRS102) (issued October 2019).

b) Voluntary income is received by way of gifts and donations and is included in full in the Statement of Financial Activities when received.

Donations arising under Gift Aid together with the tax recoverable thereon are accounted when received and tax unclaimed at the year-end is recognised in debtors.

Resources expended are charged in the accounts in the period in which they incurred. They include attributable VAT, which cannot be recovered.

c) Restricted funds are to be used for specific purposes as laid down by the donor.

Designated funds are unrestricted funds allocated for specific purposes by the trustees.

Unrestricted funds are donations and other incomes received or generated for the objects of the charity without further specified purpose and are available as general funds.

d) Tangible fixed assets.

Small items of fixed and movable equipment are written off as the expenditure is incurred. The Company has no tangible fixed assets.

e) The accounts show the combined results of the Trust and Amis de Mandritsara ("AM-FM"), a NGO registered with the Madagascar Government. AM-FM is considered to be a branch of the Trust.

f) Basis of conversion of AM-FM transactions to Sterling.

All transactions undertaken by AM-FM are in Madagascan Ariary. For the purpose of these accounts, these Ariary amounts have been converted to Sterling using the following currency exchange rates:

- Fund values in Ariary at the start and end of the financial year are converted to Sterling using the applicable currency exchange rates at those dates

Trustees' Annual Report - continued

- Income and expenditure in Ariary during a calendar month are converted to Sterling using the average of the applicable currency exchange rates at the start and end of that month.

The accounts also include a currency adjustment, which reflects movements in the Sterling value of AM-FM assets during the year which are due to movements during the year in the currency exchange rate between Sterling and the Madagascar Ariary.

Salaries and related employment costs paid by AM-FM to full-time and part-time employees in Mandritsara

	General Funds	Designated Funds	Restricted Funds	Local Funds	Total
	£	£	£	£	£
2023 salaries	-	-	-	8,542	8,542
2022 salaries	-	-	-	7,371	7,371

No Trustees or any person connected to them was paid remuneration during either 2022 or 2023.

Trustee expenses - 2023

Expenses reimbursed to Trustees by the Trust during the period amounted to £0 (2022: £0).

Donated facilities and services

Members of the AM-FM missionary team and volunteers who travel to Mandritsara are responsible for paying all of their travel, housing and maintenance costs.

Except for the reimbursed Trustee expenses which are detailed above, Trustees and Members of FoMT give voluntarily of their time and money in fulfilling their roles as Trustees and Members.

Grants Payable

The Trust paid the following grants to the Good News Hospital during 2023:

- £221,303 (2022: £232,000) in respect of Unrestricted General Funds
- £50,000 (2022: £20,200) in respect of Designated Funds
- £104,130 (2022: £71,228) in respect of Restricted Funds

Cash at bank in the UK (Trust)	2023 £	2022 £
Current account	100	100
Deposit account	169,132	340,802
35 day notice account	100,661	-
Payroll account	452	-
Total	270,345	340,902

Trustees' Annual Report - continued

	2023 £	2022 £
Investments in the UK (Trust):		
Second donated property	0	54,700
Cash at bank in Madagascar (AM-FM):		
Current account	4,230	6,367
Deposit account	14,690	13,467
Total:	18,920	19,834

Debtors & Prepayments in the UK (Trust):		
Income tax recoverable on Gift Aid donations	33,925	29,176
Cash offering not yet banked	53	-
Charity voucher refunds due	171	171
	34,149	29,347

Movement in Funds during 2023

	1 Jan 2023 £	Income £	Expenditure £	Transfers £	Currency Adjustment £	31 Dec 2023: £
Unrestricted Funds	175,724	209,049	-238,488	-	-744	145,541
Designated Funds	195,607	16,673	-83,030	1,858	-	131,108
Restricted Funds	64,336	179,608	-204,783	-1,858	-	37,303
Local Funds	10,295	27,531	-25,978	-	-726	11,122
Total Funds:	445,962	432,861	-552,279	-	-1,470	325,074

Movement in Funds during 2022

	1 Jan 2022 £	Income £	Expenditure £	Transfers £	Currency Adjustment £	31 Dec 2022: £
Unrestricted Funds	172,201	257,430	-254,807	1,000	-100	175,724
Designated Funds	107,398	132,908	-37,201	-7,493	-	195,607
Restricted Funds	7,681	121,470	-71,308	6,493	-	64,336
Local Funds	4,817	25,809	-19,599	-	-732	10,295
Total Funds	292,097	537,612	-382,915	-	-832	445,962

Analysis of Net Assets between Funds at 31 December 2023

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
<u>Trust - UK:</u>					
Cash at Bank	113,909	131,108	25,328	-	270,345
Investments	-	-	-	-	-
Debtors	22,174	-	11,975	-	34,149
Creditors	-120	-	-	-	-120
<u>AM-FM - Madagascar</u>					
Bank Balances	8,260	-	-	10,660	18,920
Cash	1,318	-	-	-	1,318
Debtors	-	-	-	825	825
Creditors	-	-	-	-363	-363
Total Funds	145,541	131,108	37,303	11,122	325,074

Analysis of Net Assets between Funds at 31 December 2022

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
<u>Trust - UK:</u>					
Cash at Bank	140,184	140,907	59,811	-	340,902
Investments	-	54,700	-	-	54,700
Debtors	24,822	-	4,525	-	29,347
Creditors	-120	-	-	-	-120
<u>AM-FM - Madagascar</u>					
Bank Balances	9,592	-	-	10,242	19,834
Cash	1,246	-	-	-	1,246
Debtors	-	-	-	792	792
Creditors	-	-	-	-739	-739
Total Funds	175,724	195,607	64,336	10,295	445,962

Related party

The Trustees consider that the Good News Hospital ("HVMM") is a related party of Friends of Mandritsara Trust (the "Trust"), as defined in the Statement of Recommended Practice: Accounting by Charities (FRS102) (issued October 2019).

The Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2023 shows that:

- 2023 project costs – Trust amounted to £233,339 (2022: £250,224) in respect of Unrestricted General Funds. This figure includes £221,303 (2022: £232,000) of transfers from the Trust to HVMM.
- 2023 project costs – Trust amounted to £77,289 (2022: £23,816) in respect of Designated Funds. This figure includes £50,000 (2022: £20,200) of transfers from the Trust to HVMM.
- 2023 project costs – Trust amounted to £204,783 (2022: £71,308) in respect of Restricted Funds. This figure includes £104,130 (2022: £71,228) of transfers from the Trust to HVMM.
- 2023 project costs – AM-FM amounted to £1,034 (2022: £498) in respect of Unrestricted General Funds. This figure includes £531 (2022: £498) of transfers from AM-FM to HVMM.

In addition, AM-FM made a number of regular payments to HVMM in respect of items such as:

- Rent and electricity/water charges in respect of the guest house
- Agreed contributions towards the costs of the office in Antananarivo
- Salary costs of the AM-FM administrator
- Tax payments.

Total donations (excluding income tax recoverable) received by the Trust without conditions during 2023 from Trustees or other related parties amounted to £37,261 (2022: £36,649).

Accounts

FRIENDS OF MANDRITSARA TRUST UK

REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2022

Company limited by guarantee

Registered number: 4345183

Registered Charity

Number: 1092709

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FRIENDS OF MANDRITSARA TRUST UK

LEGAL & ADMINISTRATIVE DETAILS

YEAR ENDED 31 DECEMBER 2022

Legal	Registered charity number: 1092709 Company limited by guarantee, registered in England and Wales number: 4345183
Registered Office	29 Priory Road, Needingworth, Cambridgeshire PE27 4SD
Trustees and Directors	Tamsin Booth Alison Brownell John Richard Bullman - (Treasurer) David Mann Victoria Parsonson - (Secretary) Douglas Robertson John Whitaker - (Chair)
Field Team Leader	Hilde Vlamincx (until 20 May 2022) Ted Watts (from 21 May 2022)
Bankers	National Westminster Bank Plc 98, Wandsworth High Street London SW18 4ZD
Independent Examiner	A. Richard G Service, CA 66 Southbrae Drive Glasgow, G13 1QD

FRIENDS OF MANDRITSARA TRUST UK

Trustees' Annual Report for 12 months ended 31 December 2022

Objects and activities

Charitable Objects

The principal objects of *Friends of Mandritsara Trust* (the "Trust" or "FoMT") are:

1. The advancement of religion in accordance with the doctrines and principles of protestant and evangelical Christian faith
2. The relief of ill-health and sickness throughout Madagascar and elsewhere.

This is done primarily through providing financial resources and seeking missionary staff and volunteers for the Good News project in Mandritsara, a market town in northern Madagascar. The project includes a 44-bed hospital with surgical and medical facilities, a 13-bed maternity unit, 4 post-surgical beds, 4 high dependency unit (HCU) beds, a school of nursing and midwifery, a school and a radio station. Members of the Friends of Mandritsara team also assist with the training of village church leaders. The Good News project is the property of the Association of Bible Baptist Churches in Madagascar. The Trust has a partnership agreement with the Association of Bible Baptist Churches in Madagascar.

Activities

The Trust undertakes the following principal functions under the headings of Pray, Give and Go. The Trust aims to:

- Encourage prayer for the Project. This is done by sending regular news and prayer letters, through the use of social media and the website (www.mandritsara.org.uk) and by arranging prayer meetings. In addition, hospital staff, volunteers and trustees speak at church meetings.
- Raise finance for the hospital and related activities in Mandritsara.
- Recruit Christian medical and support personnel to assist in the Project on short-term or long-term placements.

The process for recruiting voluntary workers requires that each must have a work permit issued by the government before obtaining a courtesy visa to enter Madagascar. The Trust has set up procedures to cope with this, and a volunteer section on its website to assist new volunteers.

The funds raised are sent to Mandritsara, Madagascar as required, to supplement the fees received from patients in the hospital and pupils in the school. Monthly payments are made direct from the Trust to the hospital on the basis of the agreed annual project budget.

Trustees' Annual Report - continued

The hospital runs an outpatients clinic each Monday to Friday, with planned surgery on Tuesdays and Thursdays. There is an ophthalmic department which undertakes cataract operations and dispenses glasses. The hospital provides an emergency facility twenty-four hours a day, seven days a week. Gospel services are held each morning in the wards and Monday to Friday in the outpatients department, to share the good news of Jesus as set out in the evangelical Christian faith.

There is a community health team which is very active in outlying areas, visiting villages in the Mandritsara district (which is the size of Yorkshire) and beyond to provide immunisations and health care, and advising on water facilities, toilet building projects and general health education. The team works in close collaboration with the government health department. The opportunity is taken to share the gospel at the villages visited by the team. About six times each year the team is assisted by HeliMission, a Christian helicopter mission which flies teams to outlying villages which are very difficult to reach overland in dry weather, but often completely inaccessible from Mandritsara during the rainy season.

The School of Nursing & Midwifery, BSFI, was opened in 2006 and offers a 3-year training leading to the Diploma in Nursing or Midwifery, which is equivalent to the government diploma and is recognised by the government.

The Good News School (*Ecole Bonne Nouvelle*) was founded in 1998. The school ranges from the first year of pre-school (age 3) to the fourth year of secondary education (age 15). The medium of education is French.

The "Voice of the Good News" radio is a Christian radio station that broadcasts daily over a broad area. This is run by a staff of four and is on air from 4.30am to 11pm, seven days a week. It is also used for public service broadcasting and notifying people in outlying villages when the community health team will be visiting, and of other health campaigns.

Public Benefit

The Good News Project does not charge its beneficiaries the full cost of treatment or education received. Only local Malagasy staff are paid salaries. The resident missionary staff and all visiting workers have to raise their own support, so their services are provided at no cost to the beneficiaries.

Madagascar is a very financially poor country and so patient fees are set at a level appropriate to the context. Nevertheless, some patients are unable to pay even the modest fees charged by the hospital. In these cases, no patients are refused medical treatment, and extra help may be given to cover part or the whole of the cost of their hospital treatment. All patients are treated regardless of race, religion, age or other factors.

The training and support of volunteer doctors, medical students and student nurses from the UK who visit Mandritsara gives them experience, which enriches their training and practice when they return to work in their home countries. Some visitors, particularly visiting surgeons from the UK, elsewhere in Europe, Canada, Australia and New Zealand, also train the staff at the hospital in Mandritsara.

Trustees' Annual Report - continued

Effect of COVID and general financial conditions on the Good News Project and FoMIT.

We give thanks to God that the Good News Hospital, the Good News School, the Community Health Team and the Radio Station have been able to continue their work during 2022, despite the challenges caused by the COVID pandemic.

The Trust "advanced" £15,000 to the Good News Project in August 2021 to assist with short-term cash flow, and this amount was included in 2021 Project Costs in the Statement of Financial Activities in last year's accounts. It was anticipated that this amount would be recovered by reducing budgeted transfers from the Trust to the Good News Project by £15,000 during 2022. However, the Good News Project was unable to "repay" this advance, mainly due to relatively high inflation in the costs of energy and medical supplies in Madagascar. These factors meant that the Trust transferred approximately an additional £20,000 during 2022 over and above the amount which had been anticipated previously.

The Trustees have been encouraged that General Fund donations to the Trust during 2022 have held up well, despite the effects of COVID and relatively adverse financial conditions in the UK. The Trustees are very grateful for all donations received from supporters during 2022.

The Trustees have carefully reviewed income and expenditure of both the Trust and the Good News Project from time to time, and modelled several possible scenarios. It remains possible that the Trust may need to contribute additional funds to the Project during 2023 if there is a resurgence of COVID or inflation in Mandritsara which affects the finances of the Good News Project.

Donation of two UK properties to the Trust during 2022

The Trust received a generous donation from a supporter of two small apartments in the North of England during the first quarter of 2022. These two properties were transferred to the Trust on 14 January 2022 and 15 March 2022 respectively. The Trustees decided to sell the properties to convert their value into cash or cash equivalents. The first property was sold for £78,000 on 28 June 2022. The second property was sold for £60,000 on 7 February 2023. Further details are provided below in the Financial Review.

Achievements and performance

The project continues to serve a wide area. During 2022 the doctors at the Good News Hospital (Hôpital Vaovao Mahafaly, or "HVMH") undertook 13,134 (8,124 in 2021) outpatient consultations, the ward staff received 1,361 (1,095 in 2021) medical inpatients and 1,335 (1,207 in 2021) surgical inpatients; surgeons performed 1,748 (1,712 in 2021) surgical procedures, and midwives (and/or surgeons) delivered 799 babies (784 in 2021). The eye team undertook 6,708 (6,228 in 2021) consultations and the eye surgeon performed 451 (362 in 2021) cataract operations.

The fifth intake of 7 nursing students and 3 midwife students to the nursing school successfully completed their training in January 2022. The graduation ceremony for these students took place on 14 January 2022.

Trustees' Annual Report - continued

The Eye department made 2 visits to Mananara during 2022 (2 in 2021), to see eye patients, prescribe spectacles and operate on patients with cataracts. Mananara is a town similar in size to Mandritsara, but over on the east coast and inaccessible by road from Mandritsara. Visits to Mananara have to be made by Mission Aviation Fellowship (MAF) plane. The team carried out 845 eye consultations during 2022 (551 in 2021) and 65 cataract operations (68 in 2021) in Mananara.

The "Voice of the Good News" radio station broadcasts to the district each day from early morning to late evening. There is Bible teaching, health education, cookery lessons, and French and English lessons each day.

The Community Health team has been particularly focussing on sanitation in recent years, heading up a region-wide sanitation project for the Mandritsara district. The team continues to visit village communities to encourage and to teach on sanitation and to perform vaccinations. The Community Health team carried out 69 (90 in 2021) separate vaccination sessions in 2022, and visited 195 different villages in 2022 (126 in 2021).

Helimission visited 5 times during 2022 (6 in 2021), for 5 weeks of mission, taking small teams out to remote villages for vaccinations, health education and Christian outreach.

The Good News School (EBN) is still the best-performing school in the district. There are currently 450 (425 in 2021) pupils from 3-15 years.

During 2022, there were 18 adults (with 12 children) from the UK, Australia, Belgium, Canada, France and Switzerland who are serving at the project for more than three months in a variety of roles, including as general doctors, surgeons, nurses, a midwife and teachers.

There were 79 short-term workers or visitors to the project from outside Madagascar during 2022 (0 in 2021).

Financial review

The Trustees consider that AM-FM (the Trust's Madagascar NGO) is a branch of the Trust for accounting purposes. The figures in these accounts relate to the combination of the Trust and AM-FM, except where stated otherwise. The notes to these accounts show the components of the key figures in these accounts for each of the Trust and AM-FM.

The primary source of income for the Trust continues to be gifts and donations from individual supporters of the project, with other donations from supporting churches, trusts and fundraising activities. The income from gifts and donations, excluding legacy, Gift Aid refunds and AM-FM income, in 2022 amounted to £479,823 (2021: £281,448), an increase of £198,375 (2021: a reduction of £39,714). This 2022 income figure of £479,823 includes a total amount of £132,700 (2021: £0) in respect of the two properties which were donated to the Trust during 2022.

The total income including legacy, income tax on Gift Aid in 2022 and AM-FM income was £537,612 (2021: £337,637), an increase from the previous year of £199,975 (2021: a reduction of £32,288), an increase of 59% (2021: a reduction of 9%).

Trustees' Annual Report - continued

This increase in income of £199,975 is broken down as follows:

- An increase of £41,497 in respect of the General Fund
- An increase of £122,903 in respect of Designated Funds, which is due to the two properties which were donated to the Trust during 2022
- An increase of £33,053 in respect of Restricted Funds
- An increase of £2,522 in respect of Local Funds

There was a 13% increase in Gift Aid refunds in 2022 (2021: 24% reduction) from £27,743 in 2021 to £30,899 in 2022.

We also promote the website and online giving. We have an online Gift Aid declaration page which simplifies and speeds up the sign up process for Gift Aid.

Expenditure by the Trust and AM-FM to, or for the benefit of, the Good News Project in Mandritsara ("Project costs") during 2022, including Restricted Funds, amounted to £345,846 (2021: £376,433). This reduction of £30,587 (2021: a reduction of £111,162) largely reflects the reduced expenditure of £71,308 (2021: £102,592) of Restricted Funds on various capital projects and other items during 2022.

The Pound Sterling was relatively volatile against the Ariary during 2022, although the exchange rate at the end of 2022 was similar in broad terms to the exchange rate at the start of 2022. Overall, General Fund project costs during 2022 in Pound Sterling terms have been higher to some extent than those anticipated, due to fluctuations in the currency exchange rate. Future project costs in Pound Sterling terms remain subject to future movements in the currency exchange rate.

Designated Funds relate typically to legacy income, which has been used in the past to fund the construction of hospital buildings and housing in Mandritsara. The Trust received a generous donation from a supporter of two small apartments in the North of England during the first quarter of 2022. These two properties were transferred to the Trust on 14 January 2022 and 15 March 2022 respectively. The Trustees decided to sell the properties to convert their value into cash or cash equivalents. The first property was sold for £78,000 on 28 June 2022. The second property was sold for £60,000 on 7 February 2023. The receipt of these properties (less £5,300 of related administration expenses expected to be incurred in early 2023 in respect of the second property) is included in 2022 income in these accounts under Designated Funds. We have assumed, in the absence of information to the contrary, that the value of each property at the date of receipt was the same as the eventual sale price. The Trust has expended £13,385 on administration costs during 2022 (2021: £5,862) to support the smooth transfer of these donated properties to the Trust, the costs associated with owning these properties, and their subsequent sale. These expenses are shown as Designated Fund administration costs in the Statement of Financial Activities. The second property is shown as an investment valued at £54,700 in the balance sheet as at 31 December 2022, after deducting related administration costs of £5,300 to be incurred during early 2023. Designated Funds amounted to £195,607 (2021: £107,398) at the end of 2022.

Trustees' Annual Report - continued

At the start of the year there were 7 active Restricted Funds. At the year end this had increased to 9 active Restricted Funds. They accounted for £64,336 (2021: £7,681), representing 14 per cent (2021: 2 per cent) of the value of all funds at the end of 2022. The Infrastructure Fund represented £50,000 (2021: £0) of these total Restricted Funds of £64,336 at 31 December 2022.

Prior to the end of 2018, Restricted Funds would have been transferred from the Trust to AM-FM, and then progressively released to the Good News Hospital ("HVMH") over time. The Trustees decided towards the end of 2018 to simplify the administration of AM-FM, and to transfer certain Restricted Fund amounts to HVMH. An agreement between the Trust and HVMH makes clear the restricted purposes for which transferred Restricted Funds must be used, and requires HVMH to provide periodic reports on the use of the Restricted Funds. The agreement was signed on 31 December 2018. Transfers of Restricted Funds have taken place from the Trust to HVMH from time to time during 2021 and 2022.

There are a number of Local Funds which are managed by AM-FM in Madagascar. These funds assist the members of the missionary team and various ministries in Mandritsara. For example:

- Members of the missionary team make payments to Local Funds which are then used to pay for the cost of items such as administrative services, language learning and accommodation in Mandritsara.
- Local Funds are held by AM-FM from time to time for building teams which come from the UK to support building projects in Mandritsara.

Transfers between funds

£7,493 (2021: £0) was transferred from Designated Funds to Restricted Funds during 2022. This was to extinguish the relatively small funding shortfall in the Theatre Block Fund.

£0 (2021: £40,000) was transferred from Designated Funds to the General Fund during 2022 in respect of the Trust.

£1,000 (2021: £0) was transferred from Restricted Funds to the General Fund during 2022 in respect of the Trust. In these cases, the Restricted Funds were reimbursing the General Fund for payments made by the General Fund which were within the scope of the Restricted Funds.

£0 (2021: £2,259) was transferred from Restricted Funds to Local Funds during 2022 in respect of AM-FM.

Reserves Policy

The Trustees seek to retain sufficient reserves to maintain the funding of the project in Mandritsara for a period of six months. The General Fund balance at the end of 2022 of £175,724 (2021: £172,201) is more than sufficient to support the project for six months (which would require £127,500), if there was no further income. Most of the surplus General Funds are held in the UK until payment is required in Madagascar.

Trustees' Annual Report - continued

The Trustees continue to consider the most appropriate use of Designated Funds, which amounted to £195,607 at the end of 2022 (2021: £107,398). It is anticipated that expenditure from Designated Funds during 2023 and 2024 will include:

- Support for the major projects described below under "Plans for future periods" to the extent that insufficient funds are obtained from appeals to supporters and charitable trusts
- Support to the General Fund if this is required to ensure that the General Fund remains in excess of 6 months of budgeted expenditure.

Completion of construction projects during 2022

The following major projects were completed successfully during 2022:

- The construction of additional on-site housing. The Trust contributed a further £17,200 to complete the funding of this project during 2022, compared with the estimated figure of £10,000 in last year's accounts
- The construction and equipping of a new operating theatre complex at the hospital, which was opened in the spring of 2022. The Trust contributed a further £20,000 to complete the funding of this project during 2022, which was the figure anticipated in last year's accounts.

Plans for future periods

The Trust will continue to fund the Good News Project in Mandritsara, and the Trust's budget for 2023 shows that it can continue supporting at the same level for the time being without significant extra giving.

The following major projects are currently being planned for 2023 and 2024:

- Work to improve the robustness of the supply of electricity and water to the Good News Project, probably including the instalment of new additional wiring and water pipes, the construction of a new water borehole and the purchase of a new electrical generator and voltage regulator (the current anticipated total cost is of the order of £100,000)
- The construction of a new building at the Good News Hospital. It is currently planned that this will include a new maternity ward, additional beds for non-maternity patients, improvements to the laboratory and more rooms for the doctors, plus related medical equipment (the current anticipated total cost is of the order of £250,000)
- The construction of additional on-site houses for doctors (the current anticipated total cost is of the order of £50,000).

The funds required for the above projects are expected to come from a combination of an appeal to our supporters, an appeal to charitable trusts and Designated Funds. The Trust expects to fully fund the cost of these projects by donations to the Good News Project by FoMT, and so the buildings / infrastructure will be owned by the Good News Project rather than by FoMT.

We will continue to seek personnel for the Good News Project who will maintain the improvements to the Project's financial controls and systems.

Trustees' Annual Report - continued

Structure, governance and management

Friends of Mandritsara Trust UK ("The Trust" or "FoMT") is a registered charity (1092709) and a company limited by guarantee, registered in England and Wales on 24 December 2001, registered number 4345183, governed by its Memorandum and Articles of Association. The address of the registered office is set out on page 2, which also lists the trustees who have served during the 2022 financial year, or who were in office at the date this report was approved. The Trustees are also directors of the Trust.

In Madagascar the Trust was represented by Hilde Vlamincx until 20 May 2022 and Ted Watts from 21 May 2022. Ted Watts is the field team leader, and the chairman of Amis de Mandritsara ("AM-FM"), a NGO registered with the Madagascar Government, which acts as an agent of the Trust.

The main aim of the Trust is to promote and support the Good News project in Mandritsara, a market town in northern Madagascar. The Good News Hospital (known locally as *Hôpital Vaovao Mahafaly*) is the main part of the project, but it also includes the Good News School, the Voice of the Good News radio station and a nursing and midwifery school. The project is a collaboration between the Trust and the Association of Bible Baptist Churches in Madagascar (FBBM). The legal agreement governing the project in Madagascar is the *Statut de l'Hôpital Médico-Chirurgical Confessionnel Dénommé "Hopitaly Vaovao Mahafaly"*. The hospital board comprises up to five pastors designated by the board of the FBBM, including their president, up to three members representing the Trust, including the AM-FM Team Leader, two technicians (one medical and one financial) and the General Director of the Good News Hospital.

The Trustees have ultimate responsibility for processing applications from prospective overseas workers and students to join AM-FM at the Good News Project. The Trustees have delegated the day-to-day management of this process to the AM-FM Team Leader and the team member responsible for medical elective students.

The Trustees also have ultimate responsibility for the update of the website news and for website security. The Trustees have delegated the day-to-day management of the website to an IT Consultant on a commercial basis during 2022 at a cost of £2,027 (2021: £2,294), which included the facilitation of a hybrid prayer day during 2022. £1,000 of these expenses (2021: £533) were covered by a specific donation from a supporter of the Trust.

In the UK, the board of the Trust recruits new trustees to its number who are either existing Members of the company or known to the current trustees as having an interest in the project. It is typically the case that Trustees have been to Mandritsara to have personal knowledge of the Project, although other long-term / committed supporters can and have served as Trustees. The Trust has an agreed eight-step procedure for the appointment of new trustees, setting out what documents should be handed to a prospective trustee and then once appointed.

The Trustees, who are the directors of the limited liability company, currently have monthly meetings (usually by virtual conferencing platforms), which are supplemented with email conversations as required.

Trustees' Annual Report - continued

The Trustees maintain, and review on a regular basis, a wide range of policies and procedures, including a Child Safety Policy and an Internal Financial Controls Policy.

Significant risks

The Trustees have examined the major strategic, business and operational risks that the Trust faces and confirm systems have been established to monitor those risks so that the necessary steps can be taken to reduce them. The Trustees review the Risk Register on at least an annual basis. The principal potential risks identified by the Trustees, together with the principal mitigations put in place to manage these risks, are as follows:

Governance and management risks

These potential risks include the loss of focus or dilution of charitable aims, lack of clear priorities to enable strategic planning, inadequate training for Trustees, the geographical remoteness of the Trust from operational activities in Madagascar, a lack of cohesion between the Trust and the Good News Project, and disaster recovery and planning.

These risks are managed by regular review and adherence to the partnership agreement between the Trust and FBBM, training for Trustees, occasional visits by Trustees to Mandritsara, regular communication between the AM-FM Team Leader and the Trustees, including the Team Leader joining the regular monthly virtual Trustees meeting, and all Trust documents being stored electronically in secure cloud-based storage with periodic external secure back-up.

Financial risks

These potential risks include a shortfall in funding or an unexpected increase in expenditure for the Project, loss of funds by the Trust or the Good News Project from investments, fraud or error, and currency exchange risks.

These risks are managed by maintaining the relationship with existing supporters through newsletters and prayer days, holding all funds in cash or cash equivalents with reputable banking institutions (or converting them into cash or cash equivalents when received in a different form), ensuring that General Fund reserves are in excess of six months of budgeted expenditure, engaging in a robust budgeting process each year for both the Trust and the Good News Project, adherence to the Trust's internal financial controls policy, the Treasurer circulating monthly Trust management accounts to the Trustees, the Trust Treasurer receiving regular monthly management accounts from the Good News Project and liaising regularly with the director of finance of the Good News Project, and the Trustees commissioning an annual external audit of the accounts of the Good News Project.

Trustees' Annual Report - continued

Child protection risks

These potential risks include safeguarding events affecting either children or vulnerable adults.

These risks are managed by strict adherence to separate safeguarding policies which apply to each of the Trust / AM-FM and the Good News Project. All Trustees or volunteers travelling from the UK to Mandritsara are required to have DBS checks in place. All AM-FM team members and volunteers receive appropriate safeguarding training.

External risks

These potential risks include external perceptions of the Trust, the closure of Madagascar borders due to external events such as COVID, and the personal health and safety of the AM-FM team and volunteers.

These risks are managed by keeping the website up-to-date, making AM-FM team members / volunteers aware of the risks of travelling in Madagascar, all team members / volunteers are required to have comprehensive emergency medical insurance inclusive of evacuation cover, adherence to the Trust's social media policy, AM-FM contingency planning to cover emergency evacuation for non-medical reasons including political or civil unrest, and monitoring of legal and regulatory changes in Madagascar.

Compliance risks

These potential risks include failure to comply with laws and regulations in the UK and Madagascar.

These risks are managed by regular monitoring of changes in laws and regulations, the timely submission of accounts, and the implementation of a data protection policy.

Trustees' Annual Report - continued

Trustee Responsibilities

Under the Charities Act 2011 and under the Companies Act 2006, the Trustees are required to prepare a statement of accounts for each accounting year which gives a true and fair view of the state of affairs of the Friends of Mandritsara Trust UK.

They are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) State whether the applicable accounting standards have been followed;
- d) Prepare the financial statements on an ongoing basis.

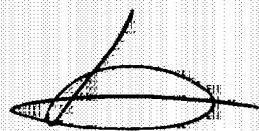
They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Friends of Mandritsara Trust UK and ensure that such accounts and records comply with the Charities Act 2011 and Companies Act 2006.

They also have a responsibility to safeguard the assets and liabilities of Friends of Mandritsara Trust UK and take reasonable steps to detect fraud or any other irregularities.

Approval

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

This report was approved by the Trustees on 20 March 2023.



And signed on their behalf by V. Parsonson (Secretary)

Friends of Mandritsara Trust UK

**Independent Examiner's report to the trustees of
Friends of Mandritsara Trust UK (the Company)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022, which are set out on pages 15 to 22.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

The Company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of Scotland.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: A Richard G. Service, CA
66 Southbrae Drive
Glasgow, G13 1QD

20 March 2023

Trustees' Annual Report - continued

Friends of Mandritsara Trust UK

Statement of Financial Activities (Including Income and Expenditure Account) for the year ended 31 December 2022

	Unrestricted General	Unrestricted Designated	Restricted	Local	Total 2022	Total 2021
	£	£	£	£	£	£
Income						
<i>Charitable Income</i>						
Gifts	231,438	132,908	115,482	-	479,828	281,448
Legacy received	-	-	-	-	-	5,000
Income tax recoverable	24,911	-	5,988	-	30,899	27,443
	256,349	132,908	121,470	-	510,727	313,891
<i>Other income</i>						
AM-FM income	-	-	-	25,809	25,809	23,287
Bank interest (Trust and AM-FM)	1,081	-	-	-	1,081	459
Total Income	257,430	132,908	121,470	25,809	537,617	337,637
Expenditure						
<i>Charitable Expenditure</i>						
Project costs - Trust	250,224	23,816	71,308	-	345,348	375,959
Project costs - AM-FM	498	-	-	-	498	474
Other costs - AM-FM	-	-	-	19,599	19,599	23,080
Fundraising costs	244	-	-	-	244	71
UK administration costs	3,841	13,385	-	-	17,226	8,475
Total Expenditure	254,807	37,201	71,308	19,599	382,915	408,059
Net Income / (Expenditure) Before transfers	2,623	95,707	50,162	6,210	154,697	-70,422
Gross Transfers between Funds	1,000	-7,493	6,493	-	-	-
Currency Adjustment	-100	-	-	-732	-832	109
Net Income / (Expenditure)	3,523	88,209	56,655	5,478	153,865	-70,313
Fund Balances, 1 Jan 2022	172,201	107,398	7,681	4,817	292,097	362,410
Fund Balances, 31 Dec 2022	175,724	195,607	64,336	10,295	445,962	292,097

Friends of Mandritsara Trust UK

Balance Sheet as at 31 December 2022

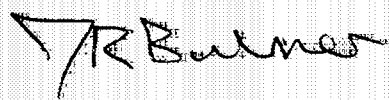
	2022	2021
	£	£
Fixed Assets -	-	-
Current assets		
<u>UK assets</u>		
Bank balances	340,902	248,556
Investments	54,700	-
Debtors & prepayments	29,347	27,850
	<u>424,949</u>	<u>276,406</u>
<u>Madagascar assets - AM-FM</u>		
Bank balances	19,834	12,312
Cash	1,246	1,736
Debtors & prepayments	792	1,763
	<u>21,872</u>	<u>15,811</u>
Creditors: amounts falling due within one year		
Creditors & accruals - UK	-120	-120
Creditor & accruals - Madagascar	-739	-
	<u>-859</u>	<u>-120</u>
NET ASSETS	<u>445,962</u>	<u>292,097</u>
Funds		
General Fund	175,724	172,201
Designated Fund	195,607	107,398
Restricted Funds	64,336	7,681
Local Funds	10,295	4,817
TOTAL FUNDS	<u>445,962</u>	<u>292,097</u>

For the year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparation of accounts.

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

Signed: 
J R Bulmer (Treasurer)

Date: 20 March 2023

Trustees' Annual Report --continued

Statement of Cash Flows

	2022 £	2021 £
Cash flows from operating activities		
Net cash provided by (used by) operating activities	98,297	-64,665
Cash flows from investing activities		
Interest	1,081	459
Net cash provided by (used by) investing activities	1,081	459
Cash flows from financing activities		
	-	-
Change in cash and cash equivalents in the reporting period	99,378	-64,206
Cash and cash equivalents at the start of the reporting period	262,604	326,810
Cash and cash equivalents at the end of the reporting period	361,982	262,604
Reconciliation of net income / (expenditure) to net cash flows from operating activities		
Net income / (expenditure) for the reporting period (as per the Statement of Finance Activities)	153,865	-70,313
Adjustment for:		
Interest from investments	-1,081	-459
(Increase) / reduction in investments	-54,700	-
(Increase) / decrease in debtors	-526	6,299
Increase / decrease in creditors	739	-192
Net cash provided by (used in) operating activities	98,297	-64,665
Analysis of cash and cash equivalents		
Cash in hand	1,246	1,736
Short term bank deposits	360,736	260,868
Total cash and cash equivalents	361,982	262,604

Friends of Mandritsara Trust UK

Notes to the accounts for the year ended 31 December 2022

Accounting Policies

a) The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice: Accounting by Charities (FRS102), (issued October 2019).

b) Voluntary income is received by way of gifts and donations and is included in full in the Statement of Financial Activities when received.

Donations arising under Gift Aid together with the tax recoverable thereon are accounted when received and tax unclaimed at the year-end is recognised in debtors.

Resources expended are charged in the accounts in the period in which they incurred. They include attributable VAT, which cannot be recovered.

c) Restricted funds are to be used for specific purposes as laid down by the donor.

Designated funds are unrestricted funds allocated for specific purposes by the trustees.

Unrestricted funds are donations and other incomes received or generated for the objects of the charity without further specified purpose and are available as general funds.

d) Tangible fixed assets:

Small items of fixed and movable equipment are written off as the expenditure is incurred. The Company has no tangible fixed assets.

e) The accounts show the combined results of the Trust and Amis de Mandritsara ("AMFM"), a NGO registered with the Madagascar Government. AMFM is considered to be a branch of the Trust.

f) Investments:

The second donated property is valued at £54,700 at the 2022 year-end, which is the price (£60,000) at which it was sold by the Trust in early 2023 less related administration expenses of £5,300 which are expected to be incurred in early 2023.

Trustees' Annual Report - continued

g) Basis of conversion of AM-FM transactions to Sterling:

All transactions undertaken by AM-FM are in Madagascan Ariary. For the purpose of these accounts, these Ariary amounts have been converted to Sterling using the following currency exchange rates:

- Fund values in Ariary at the start and end of the financial year are converted to Sterling using the applicable currency exchange rates at those dates;
- Income and expenditure in Ariary during a calendar month are converted to Sterling using the average of the applicable currency exchange rates at the start and end of that month.

The accounts also include a currency adjustment, which reflects movements in the Sterling value of AM-FM assets during the year which are due to movements during the year in the currency exchange rate between Sterling and the Madagascan Ariary.

Salaries and related employment costs paid by AM-FM to full-time and part-time employees in Mandritsara

	General Funds £	Designated Funds £	Restricted Funds £	Local Funds £	Total £
2022 salaries	-	-	-	7,371	7,371
2021 salaries	-	-	-	5,981	5,981

No Trustees or any person connected to them was paid remuneration during either 2021 or 2022.

Trustee expenses - 2022:

Expenses reimbursed to Trustees by the Trust during the period amounted to £0 (2021: £7). This comprised:

- £0 (2021: £7) in respect of UK postage costs;

Donated facilities and services

Members of the AM-FM missionary team and volunteers who travel to Mandritsara are responsible for paying all of their travel, housing and maintenance costs.

Except for the reimbursed Trustee expenses which are detailed above, Trustees and Members of FoMT give voluntarily of their time and money in fulfilling their roles as Trustees and Members....

Grants Payable

The Trust paid the following grants to the Good News Hospital during 2022:

- £232,000 (2021: £239,000) in respect of Unrestricted General Funds;
- £20,200 (2021: £6,000) in respect of Designated Funds;
- £71,228 (2021: £86,754) in respect of Restricted Funds;

Trustees' Annual Report - continued

	2022 £	2021 £
Cash at bank in the UK (Trust)		
Current accounts	100	100
Deposit accounts	340,802	248,456
Total	340,902	248,556

Investments in the UK (Trust)		
Second donated property	54,700	-

Cash at bank in Madagascar (AM-FM)		
Current accounts	6,367	2,488
Deposit accounts	13,467	9,824
Total	19,834	12,312

	2022 £	2021 £
Debtors & Prepayments in the UK (Trust)		
Income tax recoverable on Gift Aid donations	29,176	27,179
Charity voucher refunds due	171	671
	29,347	27,850

Movement in Funds during 2022

	1 Jan 2022 £	Income £	Expenditure £	Transfers £	Currency Adjustment £	31 Dec 2022 £
Unrestricted Funds	172,201	257,430	-254,807	1,000	-100	175,724
Designated Funds	107,398	182,903	-37,201	-7,493	-	195,607
Restricted Funds	7,681	101,470	-71,308	6,493	-	64,336
Local Funds	4,817	25,809	-19,599	-	-732	10,295
Total Funds	292,097	537,612	-382,915	-	-832	445,962

Movement in Funds during 2021

	1 Jan 2021 £	Income £	Expenditure £	Transfers £	Currency Adjustment £	31 Dec 2021 £
Unrestricted Funds	171,780	215,933	-255,525	40,000	13	172,201
Designated Funds	164,260	10,000	-26,862	-40,000	-	107,398
Restricted Funds	24,107	88,417	-102,592	-2,259	8	7,681
Local Funds	2,263	23,287	-23,080	2,259	88	4,817
Total Funds	362,410	337,637	-408,059	-	109	292,097

Trustees' Annual Report - continued

Analysis of Net Assets between Funds at 31 December 2022

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
Trust - UK:					
Cash at Bank	140,184	140,907	59,811	---	340,902
Investments	-	54,700	-	---	54,700
Debtors	24,822	-	4,525	---	29,347
Creditors	-120	-	-	---	-120
AM-FM - Madagascar					
Bank Balances	9,592	-	-	10,242	19,834
Cash	1,246	-	-	-	1,246
Debtors	-	-	-	792	792
Creditors	-	-	-	-739	-739
Total Funds	175,724	195,607	64,336	10,295	445,962

Analysis of Net Assets between Funds at 31 December 2021

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
Trust - UK:					
Cash at Bank	137,646	107,398	3,512	---	248,556
Debtors	23,681	-	4,169	---	27,850
Creditors	-120	-	-	---	-120
AM-FM - Madagascar					
Bank Balances	9,258	-	-	3,054	12,312
Cash	1,736	-	-	-	1,736
Debtors	-	-	-	1,763	1,763
Creditors	-	-	-	-	-
Total Funds	172,201	107,398	7,681	4,817	292,097

Trustees' Annual Report - continued

Related party

The Trustees consider that the Good News Hospital ("HVMM") is a related party of Friends of Mandritsara Trust (the "Trust"), as defined in the Statement of Recommended Practice: Accounting by Charities (FRS102) (Issued October 2019).

The Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2022 shows that:

- 2022 project costs- Trust amounted to £250,224 (2021: £252,367) in respect of Unrestricted General Funds. This figure includes £232,000 (2021: £239,000) of transfers from the Trust to HVMM
- 2022 project costs- Trust amounted to £23,816 (2021: £21,000) in respect of Designated Funds. This figure includes £20,200 (2021: £6,000) of transfers from the Trust to HVMM
- 2022 project costs- Trust amounted to £71,308 (2021: £102,592) in respect of Restricted Funds. This figure includes £71,228 (2021: £86,754) of transfers from the Trust to HVMM
- 2022 project costs- AM-FM amounted to £498 (2021: £474) in respect of Unrestricted General Funds. This figure includes £498 (2021: £474) of transfers from AM-FM to HVMM

In addition, AM-FM made a number of regular payments to HVMM in respect of items such as:

- Rent and electricity/water charges in respect of the guest house
- Agreed contributions towards the costs of the office in Antananarivo
- Salary costs of the AM-FM administrator
- Tax payments

FRIENDS OF MANDRITSARA TRUST

England & Wales - Charity number 1092709

Accounts

FRIENDS OF MANDRITSARA TRUST UK

REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2021

Company limited by guarantee

Registered number: 4345183

Registered Charity

Number: 1092709

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FRIENDS OF MANDRITSARA TRUST UK

LEGAL & ADMINISTRATIVE DETAILS

YEAR ENDED 31 DECEMBER 2021

Legal	Registered charity number: 1092709 Company limited by guarantee, registered in England and Wales number: 4345183
Registered Office	29 Priory Road, Needingworth, Cambridgeshire PE27 4SD
Trustees and Directors	Tamsin Booth Alison Brownell John Richard Bullmer – (Treasurer) David Mann Victoria Parsonson – (Secretary) Douglas Robertson John Whitaker – (Chair)
Field Team Leader	Hilde Vlaminko
Bankers	National Westminster Bank Plc 98, Wandsworth High Street London SW18 4ZD
Independent Examiner	A Richard G Service, CA 66 Southbrae Drive Glasgow, G13 1QD

FRIENDS OF MANDRITSARA TRUST UK

Trustees' Annual Report for 12 months ended 31 December 2021

Objects and activities

Charitable Objects

The principal objects of *Friends of Mandritsara Trust* (the "Trust" or "FoMT") are:

- 1....The advancement of religion in accordance with the doctrines and principles of protestant and evangelical Christian faith
- 2....The relief of ill-health and sickness throughout Madagascar and elsewhere.

This is done primarily through providing financial resources and seeking missionary staff and volunteers for the Good News project in Mandritsara, a market town in northern Madagascar. The project includes a 44-bed hospital with surgical and medical facilities, a 13-bed maternity unit, a school of nursing and midwifery, a school and a radio station. Members of the Friends of Mandritsara team also assist with the training of village church leaders. The Good News project is the property of the Association of Bible Baptist Churches in Madagascar. The Trust has a partnership agreement with the Association of Bible Baptist Churches in Madagascar.

Activities

The Trust undertakes the following principal functions under the headings of Pray, Give and Go. The Trust aims to:

- Encourage prayer for the Project. This is done by sending regular news and prayer letters through the use of social media and the website (www.mandritsara.org.uk) and by arranging prayer meetings. In addition, hospital staff, volunteers and trustees speak at church meetings.
- Raise finance for the hospital and related activities in Mandritsara
- Recruit Christian medical and support personnel to assist in the Project on short-term or long-term placements.

The process for recruiting voluntary workers requires that each must have a work permit issued by the government before obtaining a courtesy visa to enter Madagascar. The Trust has set up procedures to cope with this, and a volunteer section on its website to assist new volunteers.

The funds raised are sent to Mandritsara, Madagascar as required, to supplement the fees received from patients in the hospital and pupils in the school. Monthly payments are made direct from the Trust to the hospital on the basis of the agreed annual project budget.

Trustees' Annual Report - continued

The hospital runs an outpatients clinic each Monday to Friday, with planned surgery on Tuesdays and Thursdays. There is an ophthalmic department which undertakes cataract operations and dispenses glasses. The hospital provides an emergency facility twenty-four hours a day, seven days a week. Gospel services are held each morning in the wards and Monday to Friday in the outpatients department, to share the good news of Jesus as set out in the evangelical Christian faith.

There is a community health team which is very active in outlying areas, visiting villages in the Mandritsara district (which is the size of Yorkshire), and beyond to provide immunisations and health care, and advising on water facilities, toilet building projects and general health education. The team works in close collaboration with the government health department. The opportunity is taken to share the gospel at the villages visited by the team. About six times each year the team is assisted by Helimission, a Christian helicopter mission, which flies teams to outlying villages which are very difficult to reach overland in dry weather, but often completely inaccessible from Mandritsara during the rainy season.

The School of Nursing & Midwifery, ESRI, was opened in 2006 and offers a 3-year training leading to the Diploma in Nursing or Midwifery, which is equivalent to the government diploma and is recognised by the government.

The Good News School (*Ecole Bonne Nouvelle*) was founded in 1998. The school ranges from the first year of pre-school (age 3) to the fourth year of secondary education (age 15). The medium of education is French.

The "Voice of the Good News" radio is a Christian radio station that broadcasts daily over a broad area. This is run by a staff of four and is on air from 4.30am to 11pm, seven days a week. It is also used for public service broadcasting and notifying people in outlying villages when the community health team will be visiting, and of other health campaigns....

Public Benefit

The Good News Project does not charge its beneficiaries the full cost of treatment or education received. Only local Malagasy staff are paid salaries. The resident missionary staff and all visiting workers have to raise their own support, so their services are provided at no cost to the beneficiaries.

Madagascar is a very financially poor country and so patient fees are set at a level appropriate to the context. Nevertheless, some patients are unable to pay even the modest fees charged by the hospital. In these cases, no patients are refused medical treatment, and extra help may be given to cover part or the whole of the cost of their hospital treatment. All patients are treated regardless of race, religion, age or other factors...

The training and support of volunteer doctors, medical students and student nurses from the UK who visit Mandritsara, gives them experience which enriches their training and practice when they return to work in their home countries. Some visitors, particularly visiting surgeons from the UK, elsewhere in Europe, Canada, Australia and New Zealand, also train the staff at the hospital in Mandritsara.

Trustees' Annual Report - continued

Effect of COVID on the Good News Project and FoM

We give thanks to God that the Good News Hospital, the Good News School, the Community Health Team and the Radio Station have been able to continue their work during 2021, despite the challenges caused by the COVID pandemic.

The Good News Hospital again experienced a significant reduction in income from patients during the summer of 2021. However, there was a strong recovery in income from patients towards the end of 2021.

The Trust "advanced" £15,000 to the Good News Project in August 2021 to assist with short-term cashflow, and this amount is included in Project Costs in the Statement of Financial Activities. It is anticipated that this amount will be recovered by reducing budgeted transfers from the Trust to the Good News Project by £15,000 during 2022.

The Trustees have been encouraged that General Fund donations to the Trust during 2021 have held up well despite the effects of COVID. In addition, the Trustees have been very grateful that the Trust has again received substantial donations from supporters during 2021 towards the cost of constructing and equipping the new operating theatre complex in Mandritsara.

The Trustees carefully reviewed income and expenditure of both the Trust and the Good News Project, and modelled several possible scenarios during the pandemic. The Trust would have been willing to contribute additional funds to the Good News Project during 2021 (in addition to the £15,000 "advance" described above) to cover the financial costs to the Project of COVID, had this been required. It remains possible that the Trust may need to contribute additional funds to the Project during 2022 if there is a resurgence of COVID in Mandritsara which affects the finances of the Good News Project.

Donation of two UK properties to the Trust during 2022 – post balance sheet event

The Trust has received a generous donation from a supporter of two apartments in the North of England during the first quarter of 2022. These two properties were transferred to the Trust on 14 January 2022 and 15 March 2022 respectively. The receipt of these properties will be shown as 2022 income in the 2022 accounts.

The Trust has expended £5,862 on legal costs (including the donor's legal costs) during 2021 to support the smooth transfer of these donated properties to the Trust, and these expenses are shown as Designated Fund administration costs in the Statement of Financial Activities for 2021.

The Trust intends to sell these two donated properties during 2022 to realise their value. It is currently anticipated that the total sale proceeds (less expenses) during 2022 for the combination of these two properties are likely to be within the range of £100,000 to £150,000.

Achievements and performance

The project continues to serve a wide area. During 2021 the doctors at the Good News Hospital (Hopitaly Vaovao Mahafaly, or "HYMM") undertook 7,805 (9,587 in 2020) outpatient consultations, the ward staff received 1,095 (1,240 in 2020) medical inpatients and 1,207 (1,020 in 2020) surgical inpatients; surgeons performed 1,712 (1,642 in 2020) surgical procedures; and midwives (and/or surgeons) delivered 784 babies (752 in 2020). The eye team undertook 6,228 (6,104 in 2020) consultations and the eye surgeon performed 362 (274 in 2020) cataract operations.

The fifth intake of 7 nursing students and 3 midwife students to the nursing school successfully completed their training in January 2022. The graduation ceremony for these students took place on 14 January 2022.

The Eye department made 2 visits to Mananara during 2021 (1 in 2020), to see eye patients, prescribe spectacles and operate on patients with cataracts. Mananara is a town similar in size to Mandritsara but over on the east coast and inaccessible by road from Mandritsara. Visits to Mananara have to be made by Mission Aviation Fellowship (MAF) plane. The team carried out 551 eye consultations during 2021 (259 in 2020), and 68 cataract operations (20 in 2020) in Mananara.

The "Voice of the Good News" radio station broadcasts to the district each day from early morning to late evening. There is Bible teaching, health education, cookery lessons, and French and English lessons each day.

The Community Health team has been particularly focussing on sanitation in recent years, heading up a region-wide sanitation project for the Mandritsara district. Despite the restrictions due to COVID, the team continues to visit village communities to encourage and to teach on sanitation and to perform vaccinations. The Community Health team carried out 90 (58 in 2020) separate vaccination sessions in 2021, and visited 126 different villages in 2021 (69 in 2020).

Helimission visited 6 times during 2021 (3 in 2020), for 6 weeks of mission, taking small teams out to remote villages for vaccinations, health education and Christian outreach.

The Good News School (EBN) is still the best-performing school in the district. There are currently 425 (427 in 2020) pupils from 3-15 years.

During 2021, there were 11 adults (with 7 children) from the UK, France, Canada and Belgium who are serving at the project for more than three months in a variety of roles, including as general doctors, surgeons, nurses, a midwife and teachers.

There were no short-term workers or visitors to the project from outside Madagascar during 2021 due to the COVID pandemic.

Trustees' Annual Report – continued

The hospital has been building three new houses for doctors in Mandritsara during 2019, 2020 and 2021, and the construction work is now virtually complete. The construction of these new houses is being funded by the Trust. Friends of Mandritsara Trust has provided £88,565 so far towards this project (£10,000 in 2019, £72,565 in 2020 and £6,000 in 2021), and expects to contribute approximately a further £10,000 to complete the funding of this project during 2022.

The hospital has also been building a new operating theatre complex in Mandritsara during 2020 and 2021. The purpose of this project is to ensure the long-term sustainability of the Good News Hospital in Mandritsara. The latest estimated total cost of the project is approximately £220,000, which is also being funded by supporters of Friends of Mandritsara Trust, including individuals, churches and trusts. The new operating theatre complex should enable the hospital to:

- Train the next generation of Malagasy doctors
- Improve patient care
- Increase the capacity of the hospital
- Provide additional income to support project sustainability.

The construction of the new operating theatre complex is now virtually complete and the complex was opened officially on 14 January 2022. In addition, the Trust has purchased a substantial amount of equipment for the new operating theatre complex, which arrived in Mandritsara from the UK in two separate containers.

The Trust has contributed £177,514 to the end of 2021 to the new operating theatre complex, comprising £118,765 in transfers to the hospital and £58,749 in purchases of medical equipment. Separately from this, another charitable trust has purchased approximately £20,000 of medical equipment for the new operating theatre complex, which has been sent direct to Mandritsara without involving FoMT. The Trust expects to contribute approximately a further £20,000 to complete the funding of this project during 2022 from a combination of Restricted Funds and Designated Funds.

The Trust is fully funding the cost of constructing the new houses and the new operating theatre complex by donations to the Good News Project by FoMT, and so these buildings will be owned by the Good News Project rather than by FoMT.

Financial review

The Trustees consider that AM-FM (the Trust's Madagascar NGO) is a branch of the Trust for accounting purposes. The figures in these accounts relate to the combination of the Trust and AM-FM, except where stated otherwise. The notes to these accounts show the components of the key figures in these accounts for each of the Trust and AM-FM.

The primary source of income for the Trust continues to be gifts and donations from individual supporters of the project, with other donations from supporting churches, trusts and fundraising activities. The income from gifts and donations, excluding legacy, Gift Aid refunds and AM-FM income, in 2021 amounted to £281,448 (2020: £321,162), a reduction of £39,714 (2020: an increase of £29,280).

Trustees' Annual Report - continued

The total income including legacy, income tax on Gift Aid in 2021 and AM-PM income was £337,637 (2020: £369,925), a reduction from the previous year of £32,288 (2020: a reduction of £15,689); a reduction of 9% (2020: a reduction of 4%).

This reduction in income of £32,288 is broken down as follows:

- A reduction of £10,806 in respect of the General Fund
- An increase of £4,850 in respect of Designated Funds
- A reduction of £38,206 in respect of Restricted Funds. £52,301 of the total income of £88,417 in respect of Restricted Funds relates to the new operating theatre complex at the hospital
- An increase of £11,874 in respect of Local Funds.

The 24% reduction in Gift Aid refunds in 2021 (2020: 40% increase) from £36,317 in 2020 to £27,443 in 2021 is because Restricted Fund donations for the new operating theatre complex were significantly lower in 2021 than in 2020.

We also promote the website and online giving. We have an online Gift Aid declaration page which simplifies and speeds up the sign-up process for Gift Aid.

Expenditure by the Trust and AM-PM to, or for the benefit of, the Good News Project in Mandritsara ("Project costs") this year, including Restricted Funds, amounted to £376,433 (2020: £487,595). This reduction of £111,162 (2020: an increase of £98,604) largely reflects:

- The reduced expenditure of £26,862 (2020: £82,653) of Designated Funds on various capital projects and capital items during 2021. In particular, expenditure towards the cost of new housing for doctors at the hospital reduced from £72,565 in 2020 to £6,000 in 2021.
- The reduced expenditure of £102,592 (2020: £154,530) of Restricted Funds on various capital projects and other items during 2021. In particular, expenditure towards the cost of constructing and equipping the new operating theatre complex at the hospital reduced from £101,453 in 2020 to £56,025 in 2021.

The Pound Sterling was relatively stable against the Ariary during 2021, which means that General Fund project costs during 2021 in Pound Sterling terms have been similar to those anticipated. Future project costs in Pound Sterling terms remain subject to future movements in the currency exchange rate.

The Designated Fund relates to legacy income, which has been used in the past to fund the construction of hospital buildings and housing in Mandritsara.

At the start of the year there were 9 active Restricted Funds. At the year end this had reduced to 7 active Restricted Funds. These Restricted Funds are in two categories: funding people and funding projects. They accounted for £7,681 (2020: £24,107), representing 2 per cent (2020: 7 per cent) of the value of all funds at the end of 2021. The Operating Theatre Fund represented £3,616 (2019: £7,341) of these total Restricted Funds of £7,681 at 31 December 2021.

Trustees' Annual Report - continued

Prior to the end of 2018, Restricted Funds would have been transferred from the Trust to AM-FM, and then progressively released to the Good News Hospital ("HVMH") over time. The Trustees decided towards the end of 2018 to simplify the administration of AM-FM, and to transfer certain Restricted Fund amounts to HVMH. An agreement between the Trust and HVMH makes clear the restricted purposes for which transferred Restricted Funds must be used, and requires HVMH to provide periodic reports on the use of the Restricted Funds. The agreement was signed on 31 December 2018. Transfers of Restricted Funds have taken place from the Trust to HVMH from time to time during 2020 and 2021.

There are a number of Local Funds which are managed by AM-FM in Madagascar. These funds assist the members of the missionary team and various ministries in Mandritsara. For example:

- Members of the missionary team make payments to Local Funds which are then used to pay for the cost of items such as administrative services, language learning, and accommodation in Mandritsara.
- Local Funds are held by AM-FM from time to time for building teams which come from the UK to support building projects in Mandritsara.

Transfers between funds

£40,000 (2020: £30,000) was transferred from Designated Funds to the General Fund during 2021 in respect of the Trust. The Trustees decided to make this transfer to ensure that the General Fund comfortably exceeded 6 months of budgeted expenditure at the end of 2021, in accordance with the Reserves Policy of the Trust.

£0 (2020: £17,893) was transferred from Restricted Funds to the General Fund during 2021 in respect of the Trust.

£0 (2020: £4,499) was transferred from the General Fund to Restricted Funds during 2021 in respect of AM-FM.

£2,259 (2020: £0) was transferred from Restricted Funds to Local Funds during 2021 in respect of AM-FM. In these cases, the Restricted Funds were reimbursing the Local Funds for payments made by the Local Funds which were within the scope of the Restricted Funds.

Reserves Policy

The Trustees seek to retain sufficient reserves to maintain the funding of the project in Mandritsara for a period of six months. The General Fund balance at the end of 2021 of £172,201 (2020: £171,780) is more than sufficient to support the project for six months (which would require £125,000), if there was no further income. Most of the surplus General Funds are held in the UK until payment is required in Madagascar.

The Trustees continue to consider the most appropriate use of Designated Funds, which amounted to £107,998 at the end of 2021 (2020: £164,260). It is anticipated that expenditure from Designated Funds during 2022 will include the following:

- Designated Funds will contribute a further amount (expected to be of the order of £10,000) in respect of the remaining cost of funding the construction of new housing for doctors at the hospital.

Trustees' Annual Report - continued

- Designated Funds will contribute any element of the cost of constructing and equipping the new operating theatre complex at the hospital, which is not covered by funding received from supporters of Friends of Mandritsara Trust. This unfunded element to be contributed by Designated Funds is likely to be of the order of £15,000. The latest total estimated cost of this project is approximately £220,000. This is higher than the previous expected cost of £180,000 reported in the 2020 accounts because:
 - There were unexpected customs charges in Madagascar during 2021 in respect of a container of equipment sent from the UK to Mandritsara
 - There have been some relatively minor extensions to the scope of the construction of the new operating theatre complex, which were agreed by the FoMT Trustees
 - Construction costs have been higher during 2021 and 2022 to date than previously anticipated

Plans for future periods

The Trust will continue to fund the Good News project in Mandritsara and the Trust's budget for 2022 shows that it can continue supporting at the same level for the time being without significant extra giving.

The following major projects will continue and be completed during early 2022:

- The construction of additional on-site housing. As noted above, the Trust expects to contribute approximately a further £10,000 to complete the funding of this project during 2022.
- The construction and equipping of a new operating theatre complex at the hospital. As noted above, the Trust expects to contribute approximately a further £20,000 to complete the funding of this project during 2022.

We will continue to seek personnel for the project who will maintain the improvements to the financial controls and systems.

Structure, governance and management

Friends of Mandritsara Trust UK ("The Trust" or "FoMT") is a registered charity (1092709) and a company limited by guarantee, registered in England and Wales on 24 December 2001, registered number 4345183, governed by its Memorandum and Articles of Association. The address of the registered office is set out on page 2, which also lists the trustees who have served during the 2021 financial year, or who were in office at the date this report was approved. The Trustees are also directors of the Trust.

In Madagascar the Trust was represented by Hilde Vlamincx. Hilde Vlamincx is the field team leader, and the chairman of Amis de Mandritsara ("AM-FM"), an NGO registered with the Madagascar Government, which acts as an agent of the Trust.

Trustees' Annual Report - continued

The main aim of the Trust is to promote and support the Good News project in Mandritsara, a market town in northern Madagascar. The Good News Hospital (known locally as *Hopitaly Vaovao Mahafaly*) is the main part of the project, but it also includes the Good News School, the Voice of the Good News radio station and a nursing and midwifery school. The project is a collaboration between the Trust and the Association of Bible Baptist Churches in Madagascar (FBBM). The legal agreement governing the project in Madagascar is the *Statut de l'Hôpital Médico-Chirurgical Confessionnel Dénommé "Hopitaly Vaovao Mahafaly"*. The hospital board comprises up to five pastors designated by the board of the FBBM, including their president, up to three members representing the Trust, including the AM-FM Team Leader, two technicians (one medical and one financial) and the General Director of the Good News Hospital.

The Trustees have ultimate responsibility for processing applications from prospective overseas workers and students to join AM-FM at the Good News Project. The Trustees have delegated the day-to-day management of this process to the AM-FM Team Leader and the team member responsible for medical elective students.

The Trustees also have ultimate responsibility for the update of the website news and for website security. The Trustees have delegated the day-to-day management of the website to an IT Consultant on a commercial basis during 2021 at a cost of £2,294 (2020: £1,452), which includes the facilitation of two virtual or hybrid prayer days during 2021. £533 of these expenses (2020: £1,452) were covered by a specific donation from a supporter of the Trust.

In the UK, the board of the Trust recruits new trustees to its number who are either existing Members of the company, or known to the current trustees as having an interest in the project. It is typically the case that Trustees have been to Mandritsara to have personal knowledge of the Project, although other long-term committed supporters can and have served as Trustees. The Trust has an agreed eight-step procedure for the appointment of new trustees, setting out what documents should be handed to a prospective trustee and then once appointed.

The Trustees, who are the directors of the limited liability company, currently have monthly meetings (usually by virtual conferencing platforms), which are supplemented with email conversations as required.

The Trustees have examined the major strategic, business and operational risks that the Trust faces and confirm systems have been established to monitor those risks so that the necessary steps can be taken to reduce them. The Trustees review the Risk Register on an annual basis.

The Trustees maintain, and review on a regular basis, a wide range of policies and procedures, including a Child Safety Policy and an Internal Financial Controls Policy.

Trustees' Annual Report - continued

Trustee Responsibilities

Under the Charities Act 2011 and under the Companies Act 2006, the Trustees are required to prepare a statement of accounts for each accounting year which gives a true and fair view of the state of affairs of the Friends of Mandritsara Trust UK.

They are required to:

- a) Select suitable accounting policies and apply them consistently.
- b) Make judgements and estimates that are reasonable and prudent.
- c) State whether the applicable accounting standards have been followed.
- d) Prepare the financial statements on an ongoing basis.

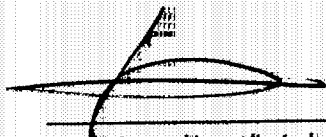
They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Friends of Mandritsara Trust UK and ensure that such accounts and records comply with the Charities Act 2011 and Companies Act 2006.

They also have a responsibility to safeguard the assets and liabilities of Friends of Mandritsara Trust UK and take reasonable steps to detect fraud or any other irregularities.

Approval

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

This report was approved by the Trustees on 21 March 2022.



And signed on their behalf by V Parsonson (Secretary)

Friends of Mandritsara Trust UK

**Independent Examiner's report to the trustees of
Friends of Mandritsara Trust UK (the Company)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021, which are set out on pages 14 to 20.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

The Company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of Scotland.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: A Richard G Service, CA
66 Southbrae Drive
Glasgow, G13 1QD

21 March 2022

Friends of Mandritsara Trust UK
Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 December 2021

	Unrestricted General	Unrestricted Designated	Restricted	Local	Total 2021	Total 2020
	£	£	£	£	£	£
Income						
<i>Charitable Income</i>						
Gifts	192,275	5,000	84,173	-	281,448	321,162
Legacy received	-	5,000	-	-	5,000	-
Income tax recoverable	23,199	-	4,244	-	27,443	36,317
	215,474	10,000	88,417	-	313,891	357,479
<i>Other income</i>						
AM-FM income	-	-	-	23,287	23,287	11,451
Bank interest (Trust and AM-FM)	459	-	-	-	459	995
Total Income	215,933	10,000	88,417	23,287	337,637	369,925
Expenditure						
<i>Charitable Expenditure</i>						
Project costs - Trust	252,367	21,000	102,592	-	375,959	487,132
Project costs - AM-FM	474	-	-	-	474	463
Other costs - AM-FM	-	-	-	23,080	23,080	18,586
Fundraising costs	71	-	-	-	71	54
UK administration costs	2,613	5,862	-	-	8,475	3,497
Total Expenditure	255,525	26,862	102,592	23,080	408,059	509,732
Net Income Before transfers	-39,592	-16,862	-14,175	207	-70,422	-139,807
Gross Transfers between Funds	40,000	-40,000	-2,259	2,259	-	-
Currency Adjustment	113	-	8	88	109	-2,020
Net Income	421	-56,862	-16,426	2,554	-70,313	-141,827
Fund Balances, 1 Jan 2021	171,780	164,260	24,107	2,263	362,410	504,237
Fund Balances, 31 Dec 2021	172,201	107,398	7,681	4,817	292,097	362,410

Friends of Mandritsara Trust UK

Balance Sheet as at 31 December 2021

	2021 £	2020 £
Current Assets	-	-
<u>UK assets</u>		
Bank balances	248,556	311,172
Debtors & prepayments...	27,850	35,810
	<u>276,406</u>	<u>346,982</u>
<u>Madagascar assets – AM-FM</u>		
Bank balances	12,312	13,346
Cash	1,736	2,292
Debtors & prepayments...	1,763	102
	<u>15,811</u>	<u>15,740</u>
Creditors: amounts falling due within one year		
Creditors & accruals – UK	-120	-120
Creditors & accruals – Madagascar	-	-192
NET ASSETS	<u>292,097</u>	<u>362,410</u>
Funds:		
General Fund	172,201	171,780
Designated Fund	107,398	164,260
Restricted Funds	7,681	24,107
Local Funds	4,817	2,263
TOTAL FUNDS	<u>292,097</u>	<u>362,410</u>

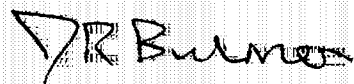
For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparation of accounts.

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

Signed:



J.R. Bulmer (Treasurer)

Date: 21 March 2022

Friends of Mandritsara Trust UK

Notes to the accounts for the year ended 31 December 2021

Accounting Policies

a) The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice: Accounting by Charities (FRS102) (issued October 2019).

b) Voluntary income is received by way of gifts and donations and is included in full in the Statement of Financial Activities when received.

Donations arising under Gift Aid together with the tax recoverable thereon are accounted when received and tax unclaimed at the year-end is recognised in debtors.

Resources expended are charged in the accounts in the period in which they incurred. They include attributable VAT, which cannot be recovered.

c) Restricted funds are to be used for specific purposes as laid down by the donor.

Designated funds are unrestricted funds allocated for specific purposes by the trustees.

Unrestricted funds are donations and other incomes received or generated for the objects of the charity without further specified purpose and are available as general funds.

d) Tangible fixed assets.

Small items of fixed and movable equipment are written off as the expenditure is incurred. The Company has no tangible fixed assets.

e) The accounts show the combined results of the Trust and Amis de Mandritsara ("AM-FM"), a NGO registered with the Madagascar Government. AM-FM is considered to be a branch of the Trust.

f) Basis of conversion of AM-FM transactions to Sterling.

All transactions undertaken by AM-FM are in Madagascan Ariary. For the purpose of these accounts, these Ariary amounts have been converted to Sterling using the following currency exchange rates:

- Fund values in Ariary at the start and end of the financial year are converted to Sterling using the applicable currency exchange rates at those dates.

Trustees' Annual Report - continued

- Income and expenditure in Ariary during a calendar month are converted to Sterling using the average of the applicable currency exchange rates at the start and end of that month.

The accounts also include a currency adjustment, which reflects movements in the Sterling value of AM-FM assets during the year which are due to movements during the year in the currency exchange rate between Sterling and the Madagascan Ariary.

Salaries and related employment costs paid by AM-FM to full-time and part-time employees in Mandritsara

	General Funds	Designated Funds	Restricted Funds	Local Funds	Total
	£	£	£	£	£
2021 salaries	-	-	-	5,961	5,961
2020 salaries	-	-	-	5,701	5,701

No Trustees or any person connected to them was paid remuneration during 2021.

Trustee expenses - 2021

Expenses reimbursed to Trustees by the Trust during the period amounted to £7 (2020: £739). This comprised:

- £7 (2020: £0) in respect of UK postage costs
- £0 (2020: £494) in respect of the purchase of urgent items of equipment for the Good News Hospital
- £0 (2020: £234) in respect of various courier costs to send urgent visa documents to Madagascar
- £0 (2020: £11) in respect of DBS costs for a volunteer visiting Mandritsara.

Donated facilities and services

Members of the AM-FM missionary team and volunteers who travel to Mandritsara are responsible for paying all of their travel, housing and maintenance costs.

Except for the reimbursed Trustee expenses which are detailed above, Trustees and Members of FoMT give voluntarily of their time and money in fulfilling their roles as Trustees and Members.

Grants Payable

The Trust paid the following grants to the Good News Hospital during 2021:

- £239,000 (2020: £238,994) in respect of Unrestricted General Funds
- £6,000 (2020: £72,565) in respect of Designated Funds
- £86,754 (2020: £94,133) in respect of Restricted Funds.

Trustees' Annual Report - continued

	2021 £	2020 £
Cash at bank in the UK (Trust)		
Current accounts:	100	100
Deposit accounts:	248,456	311,072
Total	248,556	311,172

Cash at bank in Madagascar (AM-FM)		
Current accounts:	2,488	2,040
Deposit accounts:	9,824	11,306
Total	12,312	13,346

	2021 £	2020 £
Debtors & Prepayments in the UK (Trust)		
Income tax recoverable on Gift Aid donations:	27,179	35,349
Charity voucher refunds due:	671	461
	27,850	35,810

Movement in Funds during 2021

	1 Jan 2021 £	Income £	Expenditure £	Transfers £	Currency, Adjustment £	31 Dec 2021 £
Unrestricted Funds	171,780	215,933	-255,525	40,000	13	172,201
Designated Funds	164,260	10,000	-26,862	-40,000	-	107,398
Restricted Funds	24,107	88,417	-102,592	-2,259	8	7,681
Local Funds	2,263	23,287	-23,080	2,259	88	4,817
Total Funds	362,410	337,637	-408,059	-	109	292,097

Movement in Funds during 2020

	1 Jan 2020 £	Income £	Expenditure £	Transfers £	Currency, Adjustment £	31 Dec 2020 £
Unrestricted Funds	155,646	226,739	-252,511	43,394	-1,488	171,780
Designated Funds	271,269	9,150	-82,653	-29,506	-	164,260
Restricted Funds	71,641	126,623	-159,947	-13,888	-322	24,107
Local Funds	5,681	11,413	-14,621	-	-210	2,263
Total Funds	504,237	369,925	-509,732	-	-2,020	362,410

Trustees' Annual Report - continued

Analysis of Net Assets between Funds at 31 December 2021

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
<u>Trust - UK</u>					
Cash at Bank	187,646	107,398	3,512	-	248,556
Debtors	23,681	-	4,169	-	27,850
Creditors	-120	-	-	-	-120
<u>AM-FM – Madagascar</u>					
Bank Balances	9,258	-	-	3,054	12,312
Cash	1,736	-	-	-	1,736
Debtors	-	-	-	1,763	1,763
Creditors	-	-	-	-	-
Total Funds	172,201	107,398	7,681	4,817	292,097

Analysis of Net Assets between Funds at 31 December 2020

	General Fund £	Designated Fund £	Restricted Funds £	Local Funds £	Total £
<u>Trust - UK</u>					
Cash at Bank	182,267	164,260	14,645	-	310,172
Debtors	26,598	-	9,212	-	35,810
Creditors	-120	-	-	-	-120
<u>AM-FM - Madagascar</u>					
Bank Balances	10,743	-	250	2,353	18,346
Cash	2,292	-	-	-	2,292
Debtors	-	-	-	102	102
Creditors	-	-	-	-192	-192
Total Funds	171,780	164,260	24,107	2,263	362,410

Trustees' Annual Report - continued

Related party

The Trustees consider that the Good News Hospital ("HVMM") is a related party of Friends of Mandritsara Trust (the "Trust"), as defined in the Statement of Recommended Practice: Accounting by Charities (FRS102) (issued October 2019).

The Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2021 shows that:

- 2021 project costs - Trust amounted to £252,367 (2020: £249,949) in respect of Unrestricted General Funds. This figure includes £239,000 (2020: £238,994) of transfers from the Trust to HVMM
- 2021 project costs – Trust amounted to £21,000 (2020: £82,653) in respect of Designated Funds. This figure includes £6,000 (2020: £72,565) of transfers from the Trust to HVMM
- 2021 project costs - Trust amounted to £102,592 (2020: £154,530) in respect of Restricted Funds. This figure includes £86,754 (2020: £94,183) of transfers from the Trust to HVMM
- 2021 project costs – AM-FM amounted to £474 (2020: £463) in respect of Unrestricted General Funds. This figure includes £474 (2020: £463) of transfers from AM-FM to HVMM.

In addition, AM-FM made a number of regular payments to HVMM in respect of items such as:

- Rent and electricity/water charges in respect of the guest house
- Agreed contributions towards the costs of the office in Antananarivo
- Salary costs of the AM-FM administrator
- Tax payments

AM-FM also passed on to HVMM a payment which had erroneously been made to AM-FM instead of HVMM.