

# **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

<b>Legal</b>	Registered charity number: 1092709 Company limited by guarantee, registered in England and Wales number: 4345183
<b>Registered Office</b>	29 Priory Road, Needingworth, Cambridgeshire PE27 4SD
<b>Trustees and Directors</b>	Tamsin Booth Alison Brownell John Richard Bullmer – (Treasurer) David Mann Victoria Parsonson – (Secretary) Douglas Robertson John Whitaker – (Chair)
<b>Field Team Leader</b>	Hilde Vlaminko
<b>Bankers</b>	National Westminster Bank Plc 98, Wandsworth High Street London SW18 4ZD
<b>Independent Examiner</b>	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](http://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 ("HVM") 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 HVM. An agreement between the Trust and HVM makes clear the restricted purposes for which transferred Restricted Funds must be used, and requires HVM 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 HVM 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**

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### **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	Total
	£	£	£	£	2021 £	2020 £
<b>Income</b>						
<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
<b>Total Income</b>	<b>215,933</b>	<b>10,000</b>	<b>88,417</b>	<b>23,287</b>	<b>337,637</b>	<b>369,925</b>
<b>Expenditure</b>						
<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
<b>Total Expenditure</b>	<b>255,525</b>	<b>26,862</b>	<b>102,592</b>	<b>23,080</b>	<b>408,059</b>	<b>509,732</b>
<b>Net Income Before transfers</b>	<b>-39,592</b>	<b>-16,862</b>	<b>-14,175</b>	<b>207</b>	<b>-70,422</b>	<b>-139,807</b>
<b>Gross Transfers between Funds</b>	<b>40,000</b>	<b>-40,000</b>	<b>-2,259</b>	<b>2,259</b>	<b>-</b>	<b>-</b>
<b>Currency Adjustment</b>	<b>113</b>	<b>-</b>	<b>8</b>	<b>88</b>	<b>109</b>	<b>-2,020</b>
<b>Net Income</b>	<b>421</b>	<b>-56,862</b>	<b>-16,426</b>	<b>2,554</b>	<b>-70,313</b>	<b>-141,827</b>
<b>Fund Balances, 1 Jan 2021</b>	<b>171,780</b>	<b>164,260</b>	<b>24,107</b>	<b>2,263</b>	<b>362,410</b>	<b>504,237</b>
<b>Fund Balances, 31 Dec 2021</b>	<b>172,201</b>	<b>107,398</b>	<b>7,681</b>	<b>4,817</b>	<b>292,097</b>	<b>362,410</b>

## Friends of Mandritsara Trust UK

### Balance Sheet as at 31 December 2021

	2021 £	2020 £
<b>Current Assets</b>	-	-
<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>
<b>Creditors: amounts falling due within one year</b>		
Creditors & accruals – UK	-120	-120
Creditors & accruals – Madagascar	-	-192
<b>NET ASSETS</b>	<u>292,097</u>	<u>362,410</u>
<b>Funds:</b>		
General Fund	172,201	171,780
Designated Fund	107,398	164,260
Restricted Funds	7,681	24,107
Local Funds	4,817	2,263
<b>TOTAL FUNDS</b>	<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: 

Date: 21 March 2022

J.R. Bulmer (Treasurer)

## 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.

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

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

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

### 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
<b>Total Funds</b>	<b>362,410</b>	<b>337,637</b>	<b>-408,059</b>	<b>-</b>	<b>109</b>	<b>292,097</b>

### 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
<b>Total Funds</b>	<b>504,237</b>	<b>369,925</b>	<b>-509,732</b>	<b>-</b>	<b>-2,020</b>	<b>362,410</b>

## 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	-	-	-	-	-
<b>Total Funds</b>	<b>172,201</b>	<b>107,398</b>	<b>7,681</b>	<b>4,817</b>	<b>292,097</b>

### 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
<b>Total Funds</b>	<b>171,780</b>	<b>164,260</b>	<b>24,107</b>	<b>2,263</b>	<b>362,410</b>

## Trustees' Annual Report - continued

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### 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.