

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 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.

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 Grienson 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).