

THE FRIENDS OF MALAWI ASSOCIATION
CHARITABLE TRUST FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

1 July 2022 to 30 June 2023.

Charity Number 283563

THE FRIENDS OF MALAWI ASSOCIATION CHARITABLE TRUST FUND

TRUST INFORMATION

Custodian Trustees	Dr Michael Tadman John D Lowe Nigel F Hawker Simon H Broadbent	
Managing Trustees	Simon H Broadbent Peter R Lawrance Jane E Lawrance Clare E Lawrance Susan M Banbury H M Herman Fung Connie Topping	Chairman Honorary Treasurer/ Vice Chairman Honorary Secretary Retired I January 2023
Banker	CAF Bank plc	
Honorary Independent Examiner	C F Straughan	
Registered Office	50 Brewery Road Woking GU21 4NA Surrey	
Charity Number	283563	
HMRC Charities Ref.	XR31454	

THE FRIENDS OF MALAWI ASSOCIATION CHARITABLE TRUST FUND

THE TRUSTEES' REPORT FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023

Report of the trustees for the year ended 30 June 2023.

The trustees present their annual report and financial statements of the Trust for the year ended 30 June 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 applicable in the UK published on 16 July 2014.

Objectives and activities for the public benefit

Objects of the Trust. The objects of the Trust are to provide relief from poverty and the advancement of education amongst Malawians and to benefit the community by the preservation of health or the relief of distress or sickness.

Public Benefit. The Trust provides public benefit by making grants to charitable and other organisations in Malawi to improve the healthcare, welfare, education and social facilities of communities in Malawi.

Structure, Governance and Management

The Trust is a registered charity, number 283563, and is constituted under a trust deed dated 24 September 1981.

Trustees.

The Trust is managed by a body of managing trustees, consisting of the committee of the Friends of Malawi Association of no more than eleven persons being the Chairman, a Vice Chairman, the Honorary Secretary, the Honorary Treasurer and not more than seven other elected members of the Association.

All the trustees are committed to the objects of the Trust. All the managing trustees have lived and worked in Malawi.

On appointment, new trustees sign a model trustee declaration statement committing them to giving of their time and expertise. The welcome pack includes a copy of the governing Trust Deed, trustee board and sub-committee minutes, a copy of the last three years 'annual reports and accounts', and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know' and Public Benefit: running a charity'.

Governance.

At the periodic trustees' meetings, the trustees agree the broad strategy and areas of activity for the Trust, including consideration of making grants, investment of funds, use of reserves and risk management policies and performance. The Trust's policies as regards to Risk Management, Privacy, Data Protection and Safeguarding are reviewed and agreed annually.

During the year the trustees held two Ordinary Meetings. Day-to-day administration is conducted by the Honorary Secretary and Honorary Treasurer in consultation with the Chairman and other trustees as appropriate.

All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 2 to the accounts.

No serious incident or other such matter occurred during the year that should have been brought to the attention of the Charity Commission.

Risk Assessment. The Trust possesses no physical assets. When making grants it takes such steps as it believes necessary to prevent financial fraud and ensure that grants are made to bona fide organisations or persons. It also ensures, where relevant, that the bodies or persons to which it makes grants have adequate measures in place to keep children and other vulnerable person or groups are kept safe from harm and abuse. In other respects the trustees are conscious of the importance of compliance and take such steps as are necessary to avoid failure to do so.

Financial review

The Trust's work is entirely reliant on donation income and interest from funds on deposit, all held as unrestricted funds, as detailed in the Notes to the accounts.

During the year the Trust received a gross income of £18,491 from donations and other income and spent £22,701 on grants to organisations in Malawi, resulting in a net excess of expenditure over income of £4,210.

Grant making policy

Since the establishment of the Trust it has been the policy of the Trust to make periodic grants to charitable and other organisations in Malawi in support the objectives of the Trust.

Reserves policy

The trustees aim to maintain free reserves in unrestricted funds to meet the Trust's anticipated future commitments over the next twelve months.

The balance held as unrestricted funds at 30 June 2023 of £26,701 is sufficient to cover the anticipated expenditure until June 2024.

Activities during the year 2022/2023

The activities for 2022/2023 continued to make grants to charitable and other organisations and persons in Malawi, based on suitable applications to fund projects considered appropriate by the Managing trustees.

Some of our benefactors donate money unconditionally (general unrestricted funds); others express a non-binding preference that their donations are used for specific purposes, which we classify as designated unrestricted funds for administrative purposes as none fall within the legal definition of restricted funds where the donor imposes a restriction on the use of the funds by the trustees.

Donations Received.

Donations showed a modest increase over the previous year. A total of £11,901 was donated by individuals, either by regular donation or one-off gifts for which we are most grateful. These donations include gift aid relief where appropriate.

Grants made during the year.

The Trust made 25 grants to 13 organisations operating in Malawi.

Details of the grants made to institutions can be found in note 4 to the accounts.

Other Activities during the year.

Website. <http://www.foma.org.uk/> The site is maintained voluntarily by Mr Fung and we are indeed fortunate that he possesses this skill and makes no charge for his IT services. The website is a powerful tool of communication with our supporters, and it also enables us to promote to the on-line world our work and how to support us.

Plans for the future

The trustees will continue to make grants to organisations in support of projects meeting the objects of the Trust.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Thanks. I would like to record our thanks to all the supporters of the trust and the trustees for their input during the last year.

Signature. This Report was approved by the trustees on 23 July 2023 and is signed on their behalf by

Simon Broadbent
Chairman.

**Independent Examiner's Report to the Trustees of the Friends of Malawi Association
Charitable Trust Fund on the accounts for the year ended 30 June 2023.**

I report on the accounts of the Friends of Malawi Association Charitable Trust Fund for the year ended 30 June 2023 as set out in the annual report on pages 6-10.

Respective responsibilities of the Trustees and the Examiner.

The charity's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts (under section 145 of the 2011 Act);
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 145 (5) (b) of the 2011 Act); and
- To state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In the course of my examination no matter has come to my attention

- which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed

9 July 2023

C F Straughan
Fellow of the Institute of Chartered Accountants in England and Wales
Rusper House Lodge
Newdigate Road
Rusper
Horsham RH12 4RR

The Friends of Malawi Association Charitable Trust Fund
Balance Sheet as at 30 June 2023

		2023	2022
	Notes	Unrestricted funds £	Unrestricted funds £
Current Assets	6		
Debtors		2,873	2,435
Cash at Bank		24,059	28,786
Less:Accrued Income		(230)	(310)
Total Net Assets		<u>26,701</u>	<u>30,911</u>
 The funds of the Charity	 7		
Unrestricted funds		<u>26,701</u>	<u>30,911</u>
Total Charity Funds		<u><u>26,701</u></u>	<u><u>30,911</u></u>

The Balance Sheet was approved by the trustees on 23 July 2023 and is signed on their behalf by

Simon H Broadbent
Chairman

The Friends of Malawi Association Charitable Trust Fund

Statement of Financial Activities for the year 1 July 2022 to 30 June 2023

Income and Expenditure

	Notes	2022-23 Unrestricted Funds	2021-22 Unrestricted Funds
INCOME		£	£
Donations and legacies		16,982	15,841
Promotional activities		1,068	1,602
Interest Income	3	442	220
Total Income		18,491	17,663
EXPENDITURE			
Grants to Malawi	4	22,701	14,875
Total expenditure		22,701	14,875
Net Income/(Expenditure)		(4,210)	2,788
Reconciliation of funds			
Funds brought forward		30,911	28,123
Total Funds carried forward		26,701	30,911

The Friends of Malawi Association Charitable Trust Fund

Statement of Cash Flows

For the year ended 30 June 2023

	Unrestricted funds £	2021-22 Unrestricted funds £
Net Income/(Expenditure)	(4,210)	2,788
adjustments:		
Interest Income	442	220
(Increase)/decrease in debtors	(438)	(1,050)
Increase/(Decrease) in Creditors	(80)	(156)
Net cash used in operating activities	(4,286)	1,802
Cash flows from investing activities		
Interest	(442)	(220)
Change in cash and cash equivalents	(4,727)	1,583
Cash and cash equivalents brought forward	28,786	27,203
Cash and cash equivalents carried forward	24,059	28,786

The Friends of Malawi Association Charitable Trust Fund

Notes to the accounts

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

(b) Funds structure

The charity has a single unrestricted fund.

Further details of the fund are disclosed in note 7.

(c) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

(d) Income recognition

All income is recognised once the charity has entitlement to the income or there is sufficient certainty of receipt that the income will be received, and the amount of income receivable can be measured reliably. Donations are recognised when they have been communicated and received in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator/ executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliable measurable with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank.

(e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure and it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All grant expenditure is accounted for on an accruals basis.

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

(f) Charitable activities

The expenditure on charitable activities comprises grants made to Malawi as shown in note 4.

(g) Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

2. Related party transactions and trustees' expenses and remuneration

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2022: £nil). Expenses reimbursed to the trustees in the year totalled £nil (2022: £nil).

3. Investment income

	2023	2022
	£	£
Interest on cash deposits	442	220

4. Analysis of charitable expenditure

The charity undertakes its charitable activities through the award of grants to a number of Malawi charities, individuals and other institutions operating in Malawi in furtherance of its charitable activities.

	2023	2022
	£	£
	Unrestricted Funds	
Africa Corps (13)	10,456	800
Aid Africa	2,000	1,500
Busy Youth	1,000	
CCN Malawi	575	
Cove Collection	1,000	
DIN, Malawi	1,000	
Forum for Child Affairs Support (FORCAS)	1,000	
Mzati	1,000	
Pamudzi Youth for Development	1,000	
Patient Support Association	1,070	1,000
Social Mobilisation for Transformation	700	800
Think Souls	900	
Tingathe	1,000	
Atupele Hospital		1,000
Chamanza Youth Organisation		1,000
Community Hope		1,000
Community Support Initiative		900
Joyful Motherhood		1,000
Mtende		1,000
NACC		1,000
SEED Malawi		1,500
Seed Sowers Trust		1,500
Stimulus for Transformative Development (SMOT)		875
	£22,701	£14,875

5. Auditor's remuneration

The Independent Examiner's remuneration was Nil, (2022: Nil).

6. Analysis of Current assets

	2023	2022
	£	£
Accrued Income	2,873	2,435
Cash at bank	24,059	28,786
Less: amounts donated for future events	(230)	(310)

Amounts due relate to gift aid amounts due from HMRC on donations.

Cash at bank balances relate to unrestricted funds.

7. Analysis of charitable funds

Analysis of Fund movements	Balance b/fwd	Income	Expenditure	Fund c/fwd
	£	£	£	£
Unrestricted funds	30,911	18,491	22,701	26,701

The unrestricted funds are available to be spent for any of the purposes of the charity.

8. Reconciliation of net movement in funds to net cash flow from operating activities

	2023	2022
	£	£
Net Income/expenditure	(4,210)	2,788
Deduct interest income shown in investing activities	442	220
Decrease (increase) in debtors	(438)	(1,050)
Increase/(Decrease) in Creditors	(80)	(156)
Net cash used in operating activities	(4,286)	1,802
Interest income	(442)	(220)
Change in cash and cash equivalents	(4,727)	1,583