



# **micaia**



## **Report of the Trustees 2020**

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Trustees</b>	Prof. Daniel Brockington (Chair) Christopher Bowes Dr Célia Diniz (deceased: January 2020) Dr Isilda Nhantumbo (appointed: 09/02/20) Laura Gilbert (Treasurer) Milagre Nuvunga Dr Sandy Ochojna Professor Philip Woodhouse
<b>Company secretary</b>	Andrew Kingman
<b>Principal staff</b>	Andrew Kingman, Director
<b>Registered office and operational address</b>	13 Windsor Road Buxton Derbyshire SK17 7NS  01298 24248 <a href="http://www.Micaia.org">www.Micaia.org</a> <a href="mailto:info@Micaia.org">info@Micaia.org</a>
<b>Charity registration number</b>	1120413
<b>Independent Examiner</b>	Lindsay Johnston, FCA (retired)
<b>Bankers</b>	Royal Bank of Scotland The Square Bakewell Derbyshire DE45 1BT  Scottish Widows Bank 67 Morrison Street Edinburgh EH3 8YJ

**The Trustees of Micaia UK** present their report and the financial statements for the year ended 31 December 2020.

Legal and administrative information set out on page 1 forms part of this report. The financial statements are prepared on an accruals basis.

The income of the charity was not above £250k in 2020 and the total assets (before liabilities) of the charity do not exceed £3.26 million, therefore the annual accounts are subject to an independent examination, rather than an audit.

## Objectives and activities

Micaia's mission is to help Mozambique prosper - sustainably and inclusively, with all people capable of and supported in securing their own well-being.

In pursuing its mission, Micaia is developing and testing a coherent 'localization' approach to economic and social development. This responds to the various dimensions (economic, social, cultural, environmental, and spiritual) of how people we work with define 'prosperity' or wealth. The approach frames Micaia's values of creating social and economic fairness for poor people, creating opportunities for people to build assets, empowering people through building better skills knowledge and confidence, and working for an enabling policy and investment environment.

Micaia UK's principal activities include:

- a) Technical support for the development of operational programmes in Mozambique implemented by MICAIA Foundation
- b) Provision of personnel including paid staff and volunteers to support development programmes in Mozambique
- c) Research into issues relevant to MICAIA's programmes
- d) Dissemination of case studies, reports and other educational material resulting from the practical work of MICAIA and its partners in Mozambique
- e) Participation in policy networks and other forums relevant to MICAIA's mission
- f) Raising and managing funds to support the work of MICAIA in Mozambique.

## Purpose, structure and governance of the charity

Micaia is an international non-governmental, non-political, non-religious organisation created as a charitable legal entity in the UK. Micaia UK was registered as a charity on 7th August 2007. The organisation was established under a Constitution, which established the objects and powers of the charity.

The Constitution defines the Charity's 'Objects' as being:

1. To promote sustainable development for the benefit of the public by:
  - (a) the relief of poverty and the improvement of the conditions of life in socially and disadvantaged communities of Mozambique;

(b) the promotion of sustainable means of achieving economic growth and regeneration in rural and urban communities of Mozambique.

(c) the preservation, conservation and the protection of the natural resources and wider environment of Mozambique and the prudent use of resources;

2. To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

Sustainable development means “*development which meets the needs of the present without compromising the ability of future generations to meet their own needs.*”

Micaia UK is governed by a Board of Trustees (currently 7, including the Chair).

The charity is UK based with its registered office and administrative centre in Buxton. The Director is currently seconded to MICAIA in Mozambique, working both with Micaia’s sister organization, the Micaia Foundation, and the linked social enterprise, Eco-Micaia Ltd.

#### Organization

The charity is governed by its board of Trustees convenes at least three times a year in the UK. Day-to-day management of the charity is delegated to the Director.

#### Risk management

The Trustees developed a risk management framework based on guidance from the Charity Commission. Trustees review this framework and the general risk management policy on an annual basis.

#### Safeguarding

Within the Micaia ‘family’, Micaia UK took the lead in developing Micaia’s policy on Safeguarding, using best practice from UK experience and guidance. The Board has continued to lead in ensuring that Safeguarding is to the fore at all levels of the organization.

## **Achievements and performance**

### **Micaia: institutional development**

In the course of 2020 Micaia UK continued to play an active role in supporting the institutional development of Micaia as a whole. From March 2020, the context for this work was dominated by the Covid-19 pandemic.

Micaia UK’s support for Mozambique focused on four main areas:

- a) Secure additional funding for natural product value chain development and the Natural Product Enterprise Centre
- b) Further develop Micaia's capacity to add value to practical work in Mozambique by engaging proactively in policy and research networks in the UK and elsewhere that are relevant to Micaia's work
- c) Further develop Micaia's organizational and institutional capacity, with particular attention to establishing a UK fundraising platform.
- d) Advising on the further development and implementation of Micaia's Safeguarding policies and procedures

### ***Maintaining an active Board***

Micaia UK is supported by the volunteer activities of its Board. In addition to the meetings of the Board, almost always attended by all Members, individual Trustees continued to take on specific tasks agreed at Board Meetings or as part of continuing operations. These activities included banking and financial management, organizing events, research, and representing Micaia at meetings.

### ***Engaging in the governance of the Micaia 'Family'***

Through the year, the Chair of the UK Board maintained monthly contact with the Foundation Board's representatives, monitoring in particular the security situation in Mozambique and the evolution of the Covid-19 pandemic. The UK Chair also received and commented on papers presented to the Micaia Foundation Board Meeting. The UK Chair and Vice-Chair participated in the monthly inter-board 'Steering Committee' skype meetings. These monthly meetings follow a standard agenda that incorporates security, safeguarding, personnel issues, finance, and headlines from projects and other actions in Mozambique. The Minutes of the Steering Committee meetings are shared with all Micaia board members.

Micaia UK's Treasurer continued to support the financial management and planning of Micaia in Mozambique, advising on management accounting and other financial systems.

### ***Supporting Eco-Micaia Ltd and its investments***

Eco-Micaia Ltd is a company registered in Mozambique and operating as part of the Micaia 'group'. It shares the same overall purpose and strategic plan as Micaia UK and Micaia Foundation. It was created in 2007 to provide a vehicle for services and investments in value chains and socially responsible businesses, community ventures and other market-oriented actions that could create livelihood opportunities for suppliers, producers and workers.

Since the end of 2016, Micaia (UK) has been a shareholder in Eco-Micaia and Dr Sandy Ochojna is the Trustee appointed to the Eco-Micaia Board of Directors to represent Micaia (UK). During 2020, Dr Ochojna has been closely engaged in supporting the management and governance of Eco-Micaia. This included, *inter alia*:

- a) maintaining close contact with the Director via email and skype calls, discussing issues as they emerge and reviewing internal discussion papers, proposals etc.

- b) reviewing monthly narrative reports and accounts from Eco-Micaia and the subsidiary companies in Mozambique (Baobab Products Mozambique, Ndzou Camp, and Mozambique Honey Company)
- c) taking the lead in presenting at the UK Board meetings and on the monthly inter-board calls summary reports on the status and performance of the companies
- d) participating in skype Board of Directors' meetings

### ***Marketing and communications***

Micaia UK is leading a cross-Micaia review of all marketing and communications with the intention in 2021 of launching a new website, expanded social media presence, and active online fundraising.

### ***Responding to Covid-19***

Travel restrictions in the UK through 2020 meant that all Micaia board meetings and other interactions were conducted online. Micaia worked closely with its director and representative in Mozambique to ensure that the whole Micaia 'family' adopted safe and reasonable approaches to managing risk while maintaining project implementation and the enterprise activities. The result was that no one employed by Micaia in Mozambique or by one of the local enterprises established by Micaia lost their job or income due to the pandemic.

### **Programmes**

Micaia's programmes are focused entirely on Mozambique. All programmes link with one of the four 'pillars' that provide the framework to Micaia's strategic plan. The four 'Pillars of Prosperity' are:

- a) Food security and the local food economy; b) Active citizenship; c) Sustainable management of natural resources; d) Diverse and inclusive local economies.

In 2020, Micaia continued to support work led by Micaia Foundation in the north of Manica Province in the districts of Guro and Tambara. Since 2016, Micaia has focused much of its support on work relating to promoting livelihoods based on natural products. Funding was provided by a private family foundation for a project called: ***From theory to practice: fulfilling the 'inclusive' vision for natural product businesses in Mozambique***. The project (2017-2020) focused on building capacity of natural product suppliers, particularly beekeepers and baobab collectors, to play informed and active roles in the companies that they supply. Although Micaia did not receive new funding for this project in 2020, we continued to track the activities in Mozambique while negotiating a new phase of funding for a project designed to build on the achievements of the work on natural product enterprise. A new funding agreement was signed with same family foundation for a project entitled: ***From vulnerability to resilience***. As with the previous project, while the grant agreement is between Micaia Foundation in Mozambique and the family foundation, Micaia in UK will receive the funds and manage the onward grants to Micaia in Mozambique.



The work done by Micaia Foundation since 2016 has created new opportunities: increased sources and scale of income for women in particular (from selling baobab fruit); better understanding of natural resources and the risks to these of unsustainable extraction; emerging and stronger community organizations. The problem to be addressed in the new project is how to scale up and sustain the benefits of the work done to date; put another way, how to help people reduce their vulnerability as families and communities become more resilient?

The project expands the area of intervention across what Micaia refers to as the Lower Zambezi Valley, incorporating Guro and Tambara districts along with Changara District of Tete Province. The goal of the project is to help people strengthen their communities' resilience (particularly adaptability and resilience in the face of climate change) and, in so doing, to inspire and facilitate change in neighbouring Districts sharing similar characteristics.

The project is holistic in design and approach, mirroring the four Pillars at the heart of Micaia's strategy. One component focuses on sustainable agriculture and aims to enable 5,000 families to learn about and implement more sustainable agricultural systems. A second component focuses on natural resource management and aims to facilitate in 26 communities of Guru and Tambara Districts, and 7 communities of Changara, the creation and implementation of Land and Natural Resource Management Plans. The third component maintains Micaia's core focus on livelihood diversification and natural products and aims to enable 3,000 families to increase household income by participating in at least one non-timber forest product value chain. Finally, a fourth component on human development seeks to enable 1,000 women and 500 men to build literacy and numeracy skills according to their own priorities and, in so doing, establish and pilot a new approach to integrating functional literacy and numeracy in livelihoods and life skills. Binding all of these actions together, the Micaia team hopes to facilitate the development, with community partners, of district-level 'Community Resilience Associations' in each of Guru and Tambara Districts, creating a model for longer-term replication in other Districts within a creative network facilitated by Micaia Foundation. Our strategic aim is to support community-led development and make more effective use of the many resources that exist in communities throughout the area in which Micaia operates.

The Covid-19 pandemic delayed the start of the new project, but work continued particularly on support of the baobab value chain. In the early part of the year it looked as though Baobab Products Mozambique, the social enterprise established and managed by Eco-Micaia Ltd to provide a fair market to the women collectors, might not be able to operate. Initial lockdowns in Mozambique made training and logistics difficult but the main concern was the market, as orders for baobab powder were cancelled. Micaia Foundation managed to arrange emergency finance from a donor partner, and the harvest went ahead. Micaia's support to the baobab collectors continued to focus on strengthening their association and enabling the women to play active roles in the company's field operation.

Once it was clear that Mozambique was not experiencing the type of Covid impact felt in South Africa, Micaia Foundation was able to establish field operations that adapted to the essential protective measures (masks, hygiene, social distancing and limitations on number of people participating in activities) in order to allow work to go ahead. Funding for the new project was released in May 2020 and the new staff team – a field officer supporting each component of the project – was able to start work.

The team made good progress in a challenging year. In agriculture, research and consultation led to the development of materials and methodologies for training Lead Farmers (trainers/facilitators) in sustainable approaches to agriculture – coping with the dry conditions and maximizing production from available land rather than always opening new fields in the forest. Working with the Lead Farmers, demonstration plots were established in several villages, and these will be expanded in 2021 as key centres of learning and training.

In the area of natural resource management, the initial focus was on reviewing the status of Natural Resource Management Committees established in some villages under a previous Micaia project. We found that while many of the committees are still functioning, they lack resources to undertake practical actions such as monitoring access to forest areas. A key strategy for Micaia is to enable communities to benefit from BioTrade and to use some of the benefits to ensure the effective management of important plant biodiversity, e.g. through incentivizing community forest rangers. The project scope was expanded considerably in the second half of the year, with another 12 communities being added to the 28 with which Micaia was already working. In each of these communities, the team worked with local people to carry out initial natural resource assessments.

For the component on value chains and local economic development, the main focus in a difficult year, was on the baobab value chain. Working closely with BPM, the project team helped coordinate with women Lead Collectors, arrange the training that is required for organic certification, and generally support the campaign. By the end of the campaign, BPM had bought baobab fruit from 1,370 women, paying 3 or 4 times the local informal market price. The income from baobab is extremely important, often paying for new productive household assets such as livestock or a solar panel, enabling families to cover the costs of schooling for children, and improving diets and health.

Other than baobab, the focus in 2020 was on research, with initial studies being done on the livelihood potential of marula (for oil), tamarind, and several medicinal plants.

Work on human development over the last few years has focused on developing and implementing via a network of Capability Facilitators (all women) an informal learning programme inspired by the capabilities approach and focused on two themes: ‘my good life’ and ‘my community’. These themes group dozens of specific topics, from family health to domestic violence to climate change. The topics are for discussion, and facilitators have a set of visual materials – cartoons drawn by an artist in Chimoio, Manica Province – that they use to help stimulate the talks with their peers. Micaia will maintain this approach as it is having considerable success, building knowledge and confidence among women, and leading to some clear changes in family and community life. In the new project, we will add a focus on literacy. In 2020, Micaia brought in a specialist from the UK to assist in developing the approach. Rather than impose a standard curriculum of adult literacy – that the team’s research in the area showed not to be working – the approach we will take is based on enabling the participants to identify what words and numbers matter to them in their daily lives. For instance, words on a product label or numbers on a receipt. We had planned to have the consultant travel to Mozambique in 2020 but that was not possible. Instead, we began the research and postponed practical development until 2021.



## Research linkages

In 2020, Micaia strengthened its connection with University of Sheffield and the University of Edinburgh, while maintaining long-term links with Royal Botanical Gardens at Kew. The Micaia UK Board sees a growing role for Micaia UK in linking the work in Mozambique with the academic community.

In the course of 2020, Micaia began work on a new project with the Sheffield Institute for International Development (SIID) and Micaia Foundation. The project, entitled *Data, Accountability and Commercialisation. Working with NGO data to enhance downwards accountability in contexts of livelihood change* is funded by the Global Challenges Research Fund. The project will examine how NGO data may be used to strengthen accountability between NGOs and the communities they serve and consider how data collection can be adapted to respond to unforeseen changes that arise in the course of NGO-led development projects. Despite early-stage progress on designing the methodology and identifying a potential Post-doc to lead the project, the challenges arising out of the pandemic led to the project being postponed under a no-cost extension. Work will commence in 2021.

Another research project in 2020 was *Coping with Covid*, a collaboration involving the Universities of Edinburgh and Sheffield in the UK, University of Eduardo Mondlane in Mozambique, and Micaia. The research involved repeated interviews with ten individuals in each of four communities in which Micaia Foundation is working – two in baobab areas, two in the buffer zone of the Chimanimani national park. The aim was to understand the various impacts of Covid on value chains such as baobab, local trade in general, and on family livelihoods and wellbeing, and to explore the extent to which traditional coping mechanisms and leadership in times of crisis had come into play or being replaced by ‘modern’ sources of information and support. Interviews were conducted weekly for almost two months, and then the data was collated and reviewed by a team involving academic researchers from the three universities and Micaia’s senior management team. Some of the findings from the research were particularly interesting. For instance, it was clear that in the baobab communities, family livelihoods were protected by the socially motivated decision-making of BPM and Micaia who together ensured that the baobab harvest could go ahead. This was not the case in communities in the south of Mozambique, studied by researchers from the University of Eduardo Mondlane. There, with charcoal as the main value chain, the pandemic caused the established value chain actors to stop trading, with serious impact on livelihoods. The findings and analysis generated by this project will be published in 2021.

## Fundraising

Micaia UK continues to be the most likely source of general or unrestricted funding for Micaia in Mozambique and for the last few years the Board has been exploring possible ways of expanding UK-based fundraising. The lack of staff capacity in UK has limited the practical possibilities. In 2020 there had been a plan to have the senior managers of Micaia spend more time in the UK to support meetings with potential donors, but this was not possible. Instead, greater attention was given to marketing and communications.

## Financial review

Micaia received income of £208k in 2020 compared with £211k in 2019.

The majority (\$216k) was restricted funding from the family foundation grant, with the remainder from two smaller GBP grants from the Universities of Edinburgh and Sheffield.

Micaia also received a small amount of interest income and donations.

Expenditure was approx. 80% the level of income, at £168k for 2020 versus £187k in 2019.

Micaia's reserves at 31<sup>st</sup> December were all restricted, however further, modest unrestricted donations have been received in 2021 to build up the general fund again.

## Plans for the future

Micaia will seek to expand its ability to support work in Mozambique and to share learning from that work with a wide network of practitioners and policymakers.

Micaia's key objectives for 2021 are:

- Scale up UK fundraising, with particular reference to a) general (unrestricted) funding and b) the Natural Capital Fund
- Lead in the overhaul of Micaia's communications (policy, strategy, tools)
- Support a review of Micaia's long-term strategy and institutional development

## Statement of responsibilities of the trustees

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charity and the incoming resources and application of resources, including the net income and expenditure, of the charity for the year. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable

steps for the prevention and detection of accounting errors, inappropriate use of funds, fraud and other irregularities.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees as at 31 December 2019 was 6. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## **Public Benefit**

The Trustees regularly review MICAIA's work to ensure that the charity continues to meet public benefit criteria. The Trustees are satisfied that MICAIA delivers public benefit. Measures to verify this conviction include the continuing role of MICAIA's UK Director in directly supporting work in Mozambique and reporting quarterly to the Board, and the independent evaluations of projects that take place.

## **Auditors**

Micaia UK does not yet need to have an audit. An Independent Examiner was appointed and conducted an examination of the 2020 MICAIA UK accounts.

The Trustees also note that Micaia Foundation, our lead partner in Mozambique, has a full independent audit of its annual accounts. Similarly, the evaluation of specific projects incorporates financial review, and Micaia has been subject to due diligence processes by funders including DFID.

Approved by the trustees on 23/12/21 and signed on their behalf by:



Laura Gilbert – Treasurer



MICAIA UK			Charity No	1120413	CC17a
Annual accounts for the period					
Period start date	01/01/2020	To	Period end date	31/12/2020	

## Section A Statement of financial activities

Recommended categories by activity	Details of own analysis	Note	Unrestricted funds £ F01	Restricted income funds £ F02	Endowment funds £ F03	Total this year £ F04	Total last year £ F05
<b>Incoming resources (Note 3)</b>							
Incoming resources from generated funds						-	-
Voluntary income		S01	920	207,045	-	207,965	211,341
Activities for generating funds		S02				-	-
Investment income		S03				-	-
Incoming resources from charitable activities		S04				-	-
Other incoming resources		S05	2			2	29
<b>Total incoming resources</b>		S06	922	207,045	-	207,966	211,369
<b>Resources expended (Notes 4-8)</b>							
Costs of Generating Funds						-	-
Costs of generating voluntary income		S07	244	3,000		3,244	6,828
Fundraising trading costs		S08	- 27	7,658		7,631	- 3,838
Investment management costs		S09		-		-	-
Charitable activities		S10	110	156,190		156,300	183,321
Governance costs		S11		1,000		1,000	1,000
Other resources expended		S12				-	-
<b>Total resources expended</b>		S13	328	167,847	-	168,175	187,311
<b>Net incoming/(outgoing) resources before transfers</b>		S14	594	39,197	-	39,791	24,058
<b>Gross transfers between funds</b>		S15	-	-	-	-	-
<b>Net incoming/(outgoing) resources before other recognised gains/(losses)</b>		S16	594	39,197	-	39,791	24,058
<b>Other recognised gains/(losses)</b>							
Gains and losses on revaluation of fixed assets for the charity's own use		S17	-	-	-	-	-
Gains and losses on investment assets		S18	-	-	-	-	-
<b>Net movement in funds</b>		S19	594	39,197	-	39,791	24,058
<b>Total funds brought forward</b>		S20	- 1,209	27,670	-	26,460	2,403
<b>Total funds carried forward</b>		S21	- 615	66,867	-	66,252	26,460

## Section B Balance sheet

	Note	Unrestricted funds £ F01	Restricted income funds £ F02	Endowment funds £ F03	Total this year £ F04	Total last year £ F05
<b>Fixed assets</b>						
Tangible assets (Note 9)	B01				-	-
	B02				-	-
Investments (Note 10)	B03				-	-
<b>Total fixed assets</b>	B04	-	-	-	-	-
<b>Current assets</b>						-
Stock and work in progress	B05				-	-
Debtors (Note 11)	B06		106,173		106,173	122,083
(Short term) investments	B07				-	-
Cash at bank and in hand	B08	- 615	80,849		80,234	26,757
<b>Total current assets</b>	B09	- 615	187,022	-	186,407	148,839
<b>Creditors: amounts falling due within one year</b> (Note 12)	B10	-	78,735		78,735	52,530
<b>Net current assets/(liabilities)</b>	B11	- 615	108,287	-	107,672	96,309
<b>Total assets less current liabilities</b>	B12	- 615	108,287	-	107,672	96,309
<b>Creditors: amounts falling due after one year</b> (Note 12)	B13		41,420		41,420	69,849
Provisions for liabilities and charges	B14	-	-	-	-	-
<b>Net assets</b>	B15	- 615	66,867	-	66,252	26,460
<b>Funds of the Charity</b>						
Unrestricted funds	B16	- 615			- 615	- 1,209
	B17				-	-
Restricted income funds (Note 13)	B18		66,867		66,867	27,670
Endowment funds (Note 13)	B19			-	-	-
<b>Total funds</b>	B20	- 615	66,867	-	66,252	26,460
Signed by one or two trustees on behalf of all the trustees		Signature			Print Name	Date of approval
		Laura Gilbert			Laura Gilbert	25/12/2021

**Section C****Notes to the accounts****Note 1 Basis of preparation**

*This section should be completed by all charities .*

**1.1 Basis of accounting**

These accounts have been prepared on the basis of historic cost (except that investments are shown at market value) in accordance with:

- Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005);
- and with\* 

✓

 Accounting Standards;
- or
- and with the Charities Act 1993.

[\*\* except for the following].

--

\* -Tick as appropriate:

- if all relevant disclosures shown in the pack have been given then please tick “Accounting Standards”;
- if disclosures completed in these accounts have been restricted to those required by the FRSSE, then please tick “Financial Reporting Standards for Smaller Enterprises (FRSSE)”.

**1.2 Change in basis of accounting**

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year (§ except for the following).

--

**1.3 Changes to previous accounts**

No changes have been made to accounts for previous years, except for the following.

--



**Note 2 Accounting policies**

*This standard list of accounting policies has been applied by the charity except for those deleted. Where a different or additional policy has been adopted then this is detailed in the box below.*

**INCOMING RESOURCES****Recognition of incoming resources**

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

**Incoming resources with related expenditure**

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

**Grants and donations**

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

**Tax reclaims on donations and gifts**

Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.

**Contractual income and performance related grants**

This is only included in the SoFA once the related goods or services have been delivered.

**Gifts in kind**

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.

Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity.

Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

**Donated services and facilities**

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

**Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Investment income**

This is included in the accounts when receivable.

**Investment gains and losses**

This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

**EXPENDITURE AND LIABILITIES****Liability recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

**Governance costs**

Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

**Grants with performance conditions**

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

**Grants payable without performance conditions**

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

**Support Costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

**ASSETS****Tangible fixed assets for use by charity**

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt.

**Investments**

Investments quoted on a recognised stock exchange are valued at market value at the year end. Other investment assets are included at trustees' best estimate of market value.

**Stocks and work in progress**

These are valued at the lower of cost or market value.

**POLICIES ADOPTED  
ADDITIONAL TO OR DIFFERENT  
FROM THOSE ABOVE**

**Section C****Notes to the accounts****(cont)****Note 3****Analysis of incoming resources**

*Incoming resources may be further analysed if this would help the reader of the accounts.*

	Analysis	This year £	Last year £
Voluntary income	Project grants	206,541	199,085
	General donations	1,424	11,889
	Other incoming resources	-	367
			-
	<b>Total</b>	<b>207,965</b>	<b>211,341</b>
Activities for generating funds			-
			-
			-
			-
	<b>Total</b>	<b>-</b>	<b>-</b>
Investment income			-
			-
			-
			-
	<b>Total</b>	<b>-</b>	<b>-</b>
Incoming resources from charitable activities			-
			-
			-
			-
	<b>Total</b>	<b>-</b>	<b>-</b>
Other incoming resources	Bank Interest	2	29
			-
			-
			-
	<b>Total</b>	<b>2</b>	<b>29</b>

**Section C****Notes to the accounts****(cont)****Note 4 Analysis of resources expended**

Resources expended may be further analysed if this would help the reader of the accounts.

	<b>Analysis</b>	<b>This year £</b>	<b>Last year £</b>
<b>Costs of generating voluntary income</b>	Technical support via Eco-Micaia Consultant	3,000	3,000
	Marketing materials	-	529
	Travel	-	2,928
	Administration	-	92
	Financial	244	279
	<b>Total</b>	<b>3,244</b>	<b>6,828</b>
<b>Fundraising trading costs</b>			-
			-
			-
	Accrued unrealised FX loss - unrestricted	- 27	- 17
	Accrued unrealised FX gain - restricted	7,658	- 3,821
	<b>Total</b>	<b>7,631</b>	<b>- 3,838</b>
<b>Investment management costs</b>			
		-	-
		-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>Charitable activities</b>	Grantmaking	92,585	156,873
	Technical support via Eco-Micaia Consultant	10,176	10,176
	Other consultant fees	10,132	10,132
	International travel		
	Other programme-related costs	43,407	6,140
	<b>Total</b>	<b>156,300</b>	<b>183,321</b>
<b>Governance costs</b>	Technical support via Eco-Micaia Consultant	1,000	1,000
	Accrual for Cost of Independent Exam		-
	Costs of Moz. Trustee visit and UK travel expenses		-
	<b>Total</b>	<b>1,000</b>	<b>1,000</b>

<b>Section C</b>	<b>Notes to the accounts</b>	<b>(cont)</b>
------------------	------------------------------	---------------

## Note 5 Support Costs

*Please complete this note if the charity has analysed its expenses using activity categories and has support costs.*

Support cost type	Fundraising activity £	Charitable Activity £	Governance Activity £	Total Cost £
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
<b>Total</b>	-	-	-	-

## Note 6 Details of certain items of expenditure

### 6.1 Trustee expenses

*Please provide details of the amount of any payment or reimbursement of out-of-pocket expenses made to trustees or to third parties for expenses incurred by trustees. If no expenses were paid, please enter 'None' in the appropriate box(es).*

Number of trustees who were paid expenses

Nature of the expenses

Total amount paid

This year	Last year
1	2
Other Consultant Fees as per Note 4	Other Consultant Fees as per Note 4
£10,132	£10,132

### 6.2 Fees for examination or audit of the accounts

*Please provide details of the amount paid for any statutory external scrutiny of accounts and other services provided by your independent examiner or auditor. If nothing was paid please enter NONE in the appropriate box(es).*

Independent examiner's or auditors' fees for reporting on the accounts

Other fees (for example: advice, consultancy, accountancy services) paid to the independent examiner or auditor

This year £	Last year £
None	None
None	None

<b>Section C</b>	<b>Notes to the accounts</b>	<b>(cont)</b>
------------------	------------------------------	---------------

**Note 7**                      **Paid employees**  
*Please complete this note if the charity has any employees.*

**7.1 Staff Costs**

	This year £	Last year £
Gross wages, salaries and benefits in kind	-	-
Employer's National Insurance costs	-	-
Pension costs	-	-
<b>Total staff costs</b>	-	-

**7.2 Average number of full-time equivalent employees in the year**

	This year Number	Last year Number
The parts of the charity in which the employees work		
Fundraising	-	-
Charitable Activities	-	-
Governance	-	-
Other	-	-
<b>Total</b>	-	-

**7.3 Defined contribution pension scheme**

*Please complete if a defined contribution pension scheme is operated.*

**Brief details of the scheme**

--

	This year £	Last year £
The costs of the scheme to the charity for the year	-	-
The amount of any contributions outstanding at the year end	-	-
The amount of any contributions prepaid at the year end	-	-

**Section C****Notes to the accounts****(cont)****Note 8 Grantmaking**

*Please complete this note if the charity made any grants or donations which in aggregate form a material part of the charitable activities undertaken.*

**8.1 Total value of grants**

Purpose for which grants made	Grants to institutions Total amount £	Grants to individuals Total amount £
Support for MICAIA Foundation work in Mozambique	92,585	-
	-	-
	-	-
	-	-
	-	-
	-	-
<b>Total</b>	<b>92,585</b>	<b>-</b>

**8.1 Grantmaking costs**

*If the charity's accounts are prepared on the "activity basis" please give details of any support cost associated with grantmaking. Please enter "Nil" if the charity does not identify and/or allocate support costs.*

Support costs of grantmaking

Nil

**8.3 Grants made to institutions**

*If the charity has made grants to particular institutions that are material in the context of its grantmaking please give details of the institution supported, purpose of the grant and total paid to each institution listed. Sufficient information should be given to provide a reasonable understanding of the range of institutions supported.*

Names of institutions	Purpose	Total amount of grants paid £
MICAIA Foundation	Support for projects and programmes	92,585
		-
		-
		-
		-
		-
		-
		-
		-
		-
		-
<b>Total grants to institutions</b>		<b>92,585</b>



**Note 9****Tangible fixed assets**

*Please complete this note if the charity has any tangible fixed assets*

**9.1 Cost or valuation**

	Freehold land & buildings	Other land & buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equipment	Payments on account and assets under construction	Total
	£	£	£	£	£	£
Balance brought forward	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers *	-	-	-	-	-	-
Balance carried forward	-	-	-	-	-	-

**9.2 Accumulated depreciation and impairment provisions**

<b>**Basis</b>	SL or RB	SL or RB	SL or RB	SL or RB	SL or RB
<b>** Rate</b>					

Balance brought forward	-	-	-	-	-	-
Depreciation charge for year	-	-	-	-	-	-
Impairment provisions	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers*	-	-	-	-	-	-
Balance carried forward	-	-	-	-	-	-

**9.3 Net book value**

Brought forward	-	-	-	-	-	-
Carried forward	-	-	-	-	-	-

**9.4 Revaluation**

*If any fixed assets have been revalued please give details of the valuer and method of valuation*

--

\* The "transfers" row is for movements between fixed asset categories.

\*\* Please indicate the method of depreciation by deleting the method not applicable (SL = straight line; RB = reducing balance). Also please indicate the rate of depreciation: for straight line, what is the anticipated life of the asset (in years); for reducing balance, what is the percentage annual deduction.

**Note 10 Investment assets**

*Please complete this note if the charity has any investment assets.*

**10.1 Fixed assets investments**

	£
Carrying (market) value at beginning of year	-
<b>Add:</b> additions to investments at cost	-
<b>Less:</b> disposals at carrying value	-
<b>Add/(deduct):</b> net gain/(loss) on revaluation	-
Carrying (market) value at end of year	-

*Please provide below:*

**10.2 A breakdown of the market values of investments shown above agreeing with the balance sheet row B03.**

**10.3 A breakdown of the income from investments agreeing with SOFA row S03.**

**Analysis of investments**

	<b>10.2 Market value at year end £</b>	<b>10.3 Income from investments for the year £</b>
<b>Investment properties</b>	-	-
Investments listed on a recognised stock exchange or held in common investment funds, open ended investment companies, unit trusts or other collective investment schemes	-	-
Investments in subsidiary or connected undertakings and companies	22	-
Securities not listed on a recognised Stock Exchange	-	-
Cash held as part of the investment portfolio	-	-
Other investments	-	-
<b>Total</b>	<b>22</b>	<b>-</b>

**10.4 Material investment holdings**

If any single investment is material in terms of its value (for example represents more than 5 per cent of the value of the charity's total investments) please provide details.

Investment held	
Market Value	

**Section C****Notes to the accounts****(cont)****Note 11 Debtors and prepayments***Please complete this note if the charity has any debtors or prepayments.***Analysis of debtors**

Trade debtors  
 Amounts due from subsidiary and associated undertakings  
 Other debtors  
 Prepayments and accrued income

Amounts falling due within one year		Amounts falling due after more than one year	
This year £	Last year £	This year £	Last year £
64,753	52,234	41,420	69,849
<b>Total</b>	<b>64,753</b>	<b>41,420</b>	<b>69,849</b>

**Note 12 Creditors and accruals***Please complete this note if the charity has any creditors or accruals.***12.1 Analysis of creditors**

Loans and overdrafts  
 Trade creditors  
 Amounts due to subsidiary and associated undertakings  
 Other creditors  
 Accruals and deferred income

Amounts falling due within one year		Amounts falling due after more than one year	
This year £	Last year £	This year £	Last year £
45,913	47,489	41,420	69,849
29,195	4,745		
3,628	296	-	-
<b>Total</b>	<b>78,736</b>	<b>41,420</b>	<b>69,849</b>

**12.2 Security over assets***If any loan, overdraft or other creditor holds a charge or other security over any assets of the charity please provide details.*

--

**Section C****Notes to the accounts****Note 13 Endowment and restricted income funds**

*Please complete this section if the charity has any endowment or restricted income funds.*

**13.1 Funds held**

**Please give a brief description of any of the following type of funds held by the charity:**

- permanent endowment funds (PE);
- expendable endowment funds (EE); and
- restricted income funds, including special trusts, of the charity (R).

<b>Fund Name</b>	<b>Type PE, EE or R</b>	<b>Purpose and Restrictions</b>
General Fund	UR	
Gulbenkian Foundation	R	General support for MICAIA Foundation
University of Edinburgh	R	Sustainable Woodfuel Transitions
University of Sheffield	R	Conservation Challenges
Private Trust (Emergency)	R	Emergency response to IDAI
Private Trust	R	Natural Product Development - Moribane
Natural Capital Fund	D	Donation towards the Natural Capital Fund
IDAI UK	D	Donation towards IDAI appeal
Private Trust (Other)	D	Donation towards costs

**13.2 Movements of major funds**

*Please give details of the movements of the major funds summarised in the restricted and endowment columns of the Statement of Financial Activities.*

<b>Fund names</b>	<b>Fund balances brought forward £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Transfers £</b>	<b>Gains and losses £</b>	<b>Fund balances carried forward £</b>
General Fund	- 1,209	922	- 354	-	27	- 615
Gulbenkian Foundation	-	-	-	-	-	-
University of Edinburgh	-	23,965	- 23,965	-	-	-
University of Sheffield	13,125	8,544	- 25,154	-	-	- 3,485
Private Trust (Emergency)	6,063	-	-	-	201	5,862
Private Trust	2,612	174,032	- 107,527	-	7,433	61,685
Natural Capital Fund	800	504	-	-	-	1,304
IDAI UK	4,351	-	- 3,544	-	-	807
Private Trust (Other)	718	-	-	-	24	694
<b>Total Funds</b>	<b>26,460</b>	<b>207,966</b>	<b>- 160,544</b>	<b>-</b>	<b>7,631</b>	<b>66,252</b>

**13.3 Transfers between funds**

*Please give details of any transfers between funds.*

<b>From Fund (Name)</b>	<b>To Fund (Name)</b>	<b>Reason</b>	<b>Amount</b>

**Note 14 Transactions with related parties**

*If the charity has any transactions with related parties (other than the trustee expenses explained in note 6) details of such transactions should be provided in this note. If there are no transactions to report, please enter "None" in the relevant boxes.*

**14.1 Remuneration and benefits**

*Please give the amount of, and legal authority for, any remuneration or other benefits paid to a trustee or other related parties by the charity or any institution or company connected with it.*

Name of trustee or connected party	Legal authority (eg order, governing document)	Amounts paid or benefit value	
		This year £	Last year £

**14.2 Loans**

*Please give details of and amounts owing to or from the charity's trustees or other related parties by the charity at the year end.*

	Name of trustee or connected party	Legal authority	Amount owing	
			This year £	Last year £
Due to trustees and related parties				
Due from trustees and related parties				

**14.3 Other transaction(s) with trustees or related parties**

*Please give details of any transaction undertaken by (or on behalf of) the charity in which a trustee or related party has a material interest.*

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	This year £	Last year £

Section C	Notes to the accounts	(cont)
Note 15	Additional Disclosures	
The following are significant matters which are not covered in other notes and need to be included to provide a proper understanding of the accounts. If there is insufficient room here, please add a separate sheet.		
1) The small amount on Note 10 of £22 relates to the gift, in March 2017, of 11% of the shareholding of Eco-Micaia, a subsidiary of the Mozambique Foundation. The shares were previously held by two of the founders of the Foundation, Milagre Nuvunga and Andrew Kingman. The amount represents 11% of MZN 20k, translated at the year-end FX rate into USD and then GBP.		



## **Independent examiner's report to the trustees of MICAIA**

I report on the accounts of the charity for the year ended 31 December 2020.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's 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 report**

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 you as 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 connection with my examination, no matter has come to my attention:

(1) 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 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: Lindsay James Johnston

Signed:



Relevant professional qualification or body: FCA

Address: St Ann's 5 Wexford Road, London SW12 8NH

Date: 23 December 2021