

# FRIENDS OF SICK CHILDREN IN MALAWI

England & Wales · Charity number 1140578

## Details

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**Other names** FOSCIM

**Status** Registered

**Legal form** Trust

**Registered** 2011-02-24

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** C/o Squire Patton Boggs (UK) Llp  
Rutland House  
148 Edmund Street  
Birmingham  
B3 2JR

**Phone** 08455393672

**Email** [info@foscim.org](mailto:info@foscim.org)

**Website** [www.friendsofsickchildreninmalawi.com](http://www.friendsofsickchildreninmalawi.com)

## Activities

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**Objects:** TO PRESERVE, PROTECT AND ADVANCE ALL OR ANY ASPECTS OF THE HEALTH OF CHILDREN IN MALAWI BY PROVIDING AND ASSISTING IN THE PROVISION OF FACILITIES, SUPPORT SERVICES AND EQUIPMENT NOT NORMALLY PROVIDED BY THE STATUTORY AUTHORITIES TO ADVANCE THE EDUCATION OF THE PUBLIC IN CHILDREN'S HEALTH BY THE DISSEMINATION OF HEALTH INFORMATION TO ADVANCE AND PROMOTE KNOWLEDGE AND EDUCATION IN CHILDREN'S MEDICINE BY PAYING OR CONTRIBUTING TO THE COSTS OF TRAINING AND EDUCATION OF HEALTHCARE WORKERS

**Activities:** Friends of Sick Children in Malawi aims to improve the healthcare and well being of children in Malawi. Donations pay for paediatric nurses, clinical officers and related staff who each year treat some 100,000 of the world's poorest children; contribute to training and education; buy medical equipment and supplies; provide wheelchairs and other orthotic devices for children with mobility issues.

## Classification

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- **How:** Makes Grants To Organisations
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Overseas Aid/famine Relief
- **Who:** Children/young People

## Geography

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- **Area of benefit:** MALAWI.
- Malawi

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£493,430	£99,143	-	-
2023-12-31	£109,551	£119,883	-	-
2022-12-31	£92,252	£207,828	-	-
2021-12-31	£99,165	£113,538	-	-
2020-12-31	£230,223	£114,526	-	-

## Trustees

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Name	Role	Appointed
GORDON COWIE MBE	Chair	2009-12-22
ALEXIS MARY COWIE		2012-08-24
PROFESSOR ELIZABETH MARGARET MOLYNEUX OBE		2010-12-01
STUART JAMES REYNOLDS		2009-12-22

**FRIENDS OF SICK CHILDREN IN MALAWI**

England & Wales - Charity number 1140578

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# Accounts

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Friends of Sick Children  
in Malawi

**FRIENDS OF SICK CHILDREN IN MALAWI**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2024**

Charity Number 1140578

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The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the 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 applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019.

## REFERENCE AND ADMINISTRATIVE DETAILS

**Charity Name:** Friends of Sick Children in Malawi

**Registered Charity Number:** 1140578

**Principal Address:** c/o Squire Patton Boggs (UK) LLP  
Rutland House  
148 Edmund Street  
Birmingham  
B3 2JR

**Website address:** [www.friendsofsickchildreninmalawi.com](http://www.friendsofsickchildreninmalawi.com)

**e-mail address:** [info@foscim.org](mailto:info@foscim.org)

**Trustees** who have acted during the year:

Alexis Cowie  
Gordon Cowie MBE  
Professor Elizabeth Molyneux OBE  
Stuart Reynolds

**Bankers** to the Charity: HSBC  
PO Box 68  
130 New Street  
Birmingham B2 4JU

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing Document

'Friends of Sick Children in Malawi' (also known as 'FOSCIM') is governed by a Declaration of Trust dated 22 December 2009 as amended (with the prior consent of the Charity Commission) by a Deed of Amendment dated 5<sup>th</sup> April 2016. The objects of the charity are:

"to preserve, protect and advance all or any aspects of the health of children in Malawi by providing and assisting in the provision of facilities, support services and equipment not normally provided by the statutory authorities; to advance the education of the public in children's health by the dissemination of health information; and to advance and promote knowledge and education in children's medicine by paying or contributing to the costs of training and education of healthcare workers."

## Organisational Structure

The Charity does not employ any staff or pay for offices. The board of trustees comprise the key management personnel of the charity, in charge of directing and controlling the charity and operating the charity on a day to day basis. All Trustees give of their time freely and no remuneration was paid in the year. By making use of modern technology wherever possible, costs of running the Charity are kept to an absolute minimum.

## Recruitment and Appointment of Trustees

The power of appointing new or additional Trustees is vested in the continuing or surviving Trustees. The Trustees seek to appoint trustees with skills, knowledge and experience needed for the effective administration of the Charity. All Trustees served throughout the year.

## OBJECTIVES AND ACTIVITIES

The overriding objective of FOSCiM is to preserve, protect and advance all or any aspects of the health of children in Malawi. The Trustees regard as essential the continued development of paediatrics in Malawi, one of the world's poorest countries, and aim to support the professionals working in Malawi in this objective.

They do this by raising funds:

- to help pay for resources necessary to treat some of the poorest children in the world;
- to contribute to relevant training and staff development;
- to buy medical and other supplies and equipment; and
- to provide for the manufacture of wheelchairs, home chairs and other orthotic devices for children with severe mobility issues.

The Charity donates money to Friends of Sick Children ('FOSC'), a Malawi children's charity with similar objectives and which operates from The Queen Elizabeth Central Hospital ('QECH'), Blantyre, Malawi, and to the Orthopaedic Department workshop at the same hospital. From time to time it also helps purchase medical and other supplies and arranges shipment to Malawi.

The health needs of children in Malawi continue to be a pressing issue. Children aged under 18 years of age represent roughly half of the total population yet specialist paediatric health provision in Malawi is still developing. The under-5 mortality rate has improved dramatically over the past 25 years, but is still several times more than the equivalent UK figure. More than half of these deaths are due to preventable disease and many are associated with malnutrition. Malaria, malnutrition and HIV are common in Malawian mothers and contribute to a high proportion of infants weighing less than 2.5kg at birth. Simple interventions have been shown to have major benefits in health outcomes and relatively modest contributions (by Western standards) from outside Malawi can make tangible differences to outcomes for sick children in Malawi.

Grants from FOSCiM to FOSC are of particular help in allowing the Children's Department of the QECH to invest in human and physical resources, acquire equipment and supplies, and develop their services for children.

## Public Benefit

The Trustees confirm that they have had regard to the guidance contained in the Charity Commission's general guidance on public benefit when carrying out their grant making activities during the year.

## ACHIEVEMENTS AND PERFORMANCE

### In Malawi

The development of paediatrics, paediatricians and specialist paediatric staff and the development of paediatric facilities at the Queen Elizabeth Central Hospital (QECH) continued in the year.

#### What has been achieved since we started our work in Malawi:

- A major revamp of the Children's Accident & Emergency centre.
- Creation of a High Dependency Unit for Children. Renovation of Children's Outpatients and Medical Bay.
- 24 years ago hospital in-patient child mortality rates were 20%; today they are less than 5%.
- Infant and maternal mortality rates have reduced substantially but are still high compared to most nations.
- Malawians studying at The University of Malawi Medical School and graduating and practising paediatrics in *their own* nation. As a result there are more General and Specialist Malawian Paediatric Consultants and Registrars at work in Malawi.
- Malawians studying at The Kamuzu College of Nursing and graduating and practising paediatric nursing in *their own* nation.
- Malawian nurses supported in 4 year BSc (Paediatrics and Child Health) degree courses at Mzuzu University.
- Various other medical personnel supported in their further development so as to be important parts of driving forward sustainable paediatric healthcare in Malawi.
- Malawian postgraduate BSc Clinical Officers and students supported in training.
- The neonatal intensive care and Kangaroo Care unit that was built is one of the best facilities of its type on the continent of Africa.
- In collaboration with RICE University of Texas, first prize won in the first ever *Glaxo Smith Kline-Save the Children Global Award for Innovation in Child Healthcare*.
- The first ever One Stop Centre for abused women and children in Malawi built.
- The creation of a paediatric surgical unit with theatres and intensive care facilities.
- Collaboration with the QECH Orthopaedic Department and workshop completed its 11<sup>th</sup> year and continues to successfully help children with severe mobility issues by manufacturing and fitting wheelchairs, home chairs for very young children, and making various orthotic devices.

## Fundraising

To be in a position to make grants or to deliver charitable benefits in Malawi, the Charity needs to raise funds. Thanks to our loyal supporters, in 2024 we were able to continue our efforts in this regard.

Trustees greatly appreciate all the support the Charity receives each year – support which comes from a variety of people, organisations and places; support which ranges from goodwill and encouragement, through making and donating knitted and other goods, to the all important and essential financial donations, large and small.

As disclosed elsewhere in this Report, we incur minimal costs so that almost all of every donation is applied at the frontline of needs in Malawi. In past Annual Reports we have named our largest (by donation) donors. Because every donation received, whatever the monetary size, is greatly valued and appreciated, with one exception this year we have decided to cease this disclosure.

All our donors know how much they are appreciated and they are kept informed of how their generosity is applied in Malawi.

The exception referred to above is the Estate of the late Irene Duddy from which the charity received a substantial legacy for the educational development of nurses and the provision of medication and equipment. The terms of the legacy allow for discretion to be applied according to the circumstances existing at the hospital.

Non-monetary donations include:

- Our *'army' of knitters and sewers* from all over the UK who continue to amaze with the quality and quantity of baby clothes and bed clothes they produce.
- *Donation of transport* for donated goods to the Malawi bound sea containers;
- *Independent Examination* of these accounts.

## Grantmaking

In 2024 the Charity made grants and purchased items for the benefit of sick children in Malawi totalling £97,840 (2023: £116,740).

Grantmaking should increase significantly in 2025 as, amongst other needs, the Paediatric Special Care Ward will be renovated and piped oxygen supply will be introduced to some of the wards.

## LOOKING FORWARD

The Trustees will continue to do their best to support the work of healthcare professionals and others in Malawi whose objectives are in line with FOSCiM.

Every step forward in Malawi seems to be accompanied by new challenges but with the help of our supporters we continue to be able to forge forwards. Currently our **three areas of focus** are:

- **Education and further development of human resources in paediatrics**  
Training and development of Malawian healthcare professionals, nurses, clinical officers and post-graduates is an essential focus and there are a number of funding needs here. **A particular need is for stipends for registrars.** In the face of Public Sector remuneration that

during the year fell well short of covering even basic living costs, we had no option but to find funds for stipends so that there could be sufficient, appropriately remunerated registrars to maintain the level of healthcare necessary throughout the wards and facilities. This could become a regular need unless Public Sector funding increases.

- **Facilities and infrastructure**

Overall, the infrastructure throughout the various paediatric departments, wards and facilities needs upgrading to improve healthcare delivery and better enable delivery of specialist services. **The Paediatric Special Care Ward is a priority** in this regard and is expected to be the subject of major renovations in 2025. In addition, piped oxygen would be a big advantage in many more areas, such as The Nursery Ward.

All teams would benefit from better access to scanning/ultra sound equipment. Access routes between some wards and facilities need improvement, including overhead cover in some cases, and improved floor surfaces and corridors around many others.

Included under 'Facilities' is equipment – monitors, infusion pumps, portable x-ray; and re-agents for the laboratory are all current priorities.

- **Drugs and Medical Consumables**

The Central Government supply of essential drugs continues to be erratic and unpredictable. We are fortunate in having a supporter who makes a substantial monthly donation to help in this regard and to have supporters who come to the rescue at times of outages.

Special thanks in this regard to Mai Aisha Trust, Luton Sixth Form College business students, and to a West Midlands of England family who wish to remain anonymous.

The Charity's costs will continue to be kept to an absolute minimum. For 2024, 98.7p of every £1 raised and spent by FOSCiM delivered charitable benefit in Malawi (2023 - 97.3p). Overhead costs were mostly confined to unavoidable charges, such as payment processing and online donation fees.

The more the Charity is able to raise the greater the amount that will directly benefit sick children in Malawi.

## FINANCIAL REVIEW

### Reserves Policy

FOSCiM does not have any endowed funds, so all of its capital and income is available to be spent on charitable activities. It is the policy of Trustees to retain only the minimum reserves necessary to cover known and anticipated costs and to spend the remaining available resources to benefit the children of Malawi. Where donations have been received that are designated for a particular purpose (for example the purchase of equipment) they may be retained whilst suitable equipment is identified and sufficient additional funds have been raised.

During 2024 the Government of Malawi mandated that foreign currency transfers to Malawi must be converted to local currency on receipt. In order to protect the purchasing power of our grants we now retain donations in the UK in Sterling until our partners in Malawi require funds for their immediate cashflow. This may result in us holding slightly higher balances than in the recent past.

### Statement of Financial Activities

	<b>2024</b>	<b>2024</b>	2023
	<b>Unrestricted</b>	<b>Total</b>	Total
	<b>Funds</b>	<b>Funds</b>	Funds
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
- Donations	68,277	<b>68,277</b>	71,825
- Grants	21,000	<b>21,000</b>	27,725
- Fundraising by supporters	20,162	<b>20,162</b>	10,001
- Legacies	382,835	<b>382,835</b>	-
- Bank Interest	1,156	<b>1,156</b>	-
<b>Total Income</b>	<b>493,430</b>	<b>493,430</b>	109,551
<b>Expenditure</b>			
- Online Transaction Charges	909	<b>909</b>	1,049
- Telephone Costs	60	<b>60</b>	60
- Bank Account Charges	146	<b>146</b>	135
- Website	90	<b>90</b>	1,890
- Governance	98	<b>98</b>	9
Expenditure on charitable activities			
- Grants	80,235	<b>80,235</b>	86,547
- Orthopaedic Centre	15,750	<b>15,750</b>	26,746
- Medical equipment	1,855	<b>1,855</b>	3,447
<b>Total Expenditure</b>	<b>99,143</b>	<b>99,143</b>	119,883
<b>Net income/(expenditure)</b>	<b>394,287</b>	<b>394,287</b>	(10,332)
Total Funds Brought Forward	29,098	<b>29,098</b>	39,430
<b>Total Funds Carried Forward</b>	<b>423,385</b>	<b>423,385</b>	29,098

## Balance Sheet

	Unrestricted Funds 2024 £	Total Funds 2024 £	Prior Year 2023 £
<b>Current Assets</b>			
- Debtors	9,596	<b>9,596</b>	1,616
- Cash at Bank	413,789	<b>413,789</b>	27,482
<b>Total Current Assets</b>	<u>423,385</u>	<u><b>423,385</b></u>	<u>29,098</u>
<b>Liabilities</b>			
- Creditors falling due within one year	-	-	-
<b>Net Current Assets</b>	<u>423,385</u>	<u><b>423,385</b></u>	<u>29,098</u>
<b>Net Assets</b>	<u>423,385</u>	<u><b>423,385</b></u>	<u>29,098</u>
<b>Funds of the Charity</b>			
- Unrestricted income funds	423,385	<b>423,385</b>	29,098
<b>Total Charity Funds</b>	<u>423,385</u>	<u><b>423,385</b></u>	<u>29,098</u>

Approved by the Trustees on  
and signed on their behalf by



Stuart Reynolds  
Trustee

19 August 2025

## Notes to the Financial Statements

### 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) (effective 1 January 2019) 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

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. There are no restricted funds, however donations totalling £415,579 held at the year end (2023: £15,930) have been designated for various purposes including education, facilities and wheelchair production as detailed below:

<b>Fund</b>	<b>2024</b>	<b>2023</b>
Duddy Legacy - Education & Facilities	383,986	-
Facilities	11,866	-
Wheelchairs etc. manufacture	8,682	10,159
Drugs	5,430	3,767
Other designated funds	2,340	950
Education	2,875	690
Children's A&E	396	364
FOSC Staff Pay	-	-
<b>Totals</b>	<b>415,577</b>	<b>15,930</b>

#### (c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Trust has been notified in writing 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 of 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 reliably measurable with a reasonable degree of accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **(d) Expenditure recognition**

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

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.

#### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### **(f) Charitable activities**

Costs of charitable activities include grants made and directly attributable support costs.

## **2. CHARITABLE STATUS**

The Trust is recognised by HMRC as having charitable status and was registered by the Charity Commission on 24 February 2011 once the minimum income threshold for registration could be demonstrated.

## **3. TRUSTEES' REMUNERATION**

No remuneration was paid or payable in respect of the year out of the funds of the Charity either directly or indirectly to any Trustee. £129.29 was reimbursed to Trustees in 2023 for amounts they paid on behalf of the Charity (2023 - £237.77).

## **4. EXAMINATION OF THE ACCOUNTS**

No fees were paid or are payable for the independent examination of the accounts.

## **5. EMPLOYEES**

The Charity had no full or part time employees during the year.

## 6. GRANTS AND SUPPORT COSTS

The Charity delivers its charitable benefits by making grants to a Malawi charity, Friends of Sick Children (FOSC), which has similar aims and objects to the Charity, and by direct purchase of equipment and facilities for the Children’s Department and The Orthopaedic Centre of the Queen Elizabeth Central Hospital, Blantyre, Malawi. An analysis of charitable expenditure and associated support costs in this and the previous year is as follows:

	Direct charitable expenditure	Bank charges	Other Costs	Total 2024
<b>2024</b>				
Grants	80,074	161	0	<b>80,235</b>
Orthopaedic Centre	15,716	34	0	<b>15,750</b>
Medical Equipment	961	17	877	<b>1,855</b>
Support & Governance	0	608	695	<b>1,303</b>
	<u>96,751</u>	<u>820</u>	<u>1,572</u>	<b>99,143</b>

	Direct charitable expenditure	Bank charges	Other Costs	Total 2023
<b>2023</b>				
Grants	86,478	69	0	<b>86,547</b>
Orthopaedic Centre	26,688	58	0	<b>26,746</b>
Medical Equipment	2,866	69	512	<b>3,447</b>
Support & Governance	0	824	2,319	<b>3,143</b>
	<u>116,032</u>	<u>1,020</u>	<u>2,831</u>	<b>119,883</b>

*£834 was paid to transport 4.2cubic metres of donated items to Malawi [£512 was paid for 2.5 cubic metres in 2023]*

## 7. RELATED PARTY TRANSACTIONS

The Charity made grants to FOSC, a Malawi charity of which one of the Trustees, Professor Molyneux, is also a Trustee. The other Trustees value the expertise that Professor Molyneux is able to bring to the Charity and her particular knowledge and understanding of where charitable support can make the biggest difference to sick children in Malawi.

The Charity had no transactions with any Trustee or (with the exception of FOSC) with any connected or related party of any Trustee, and no Trustee received any benefit, direct or indirect, from the Charity.

## 8. CONTROL RELATIONSHIP

The Charity is under the control of the Trustees.

### Independent examiner's report to the trustees of Friends of Sick Children in Malawi

I report on the accounts of the Friends of Sick Children in Malawi for the year ended 31 December 2024 which are set out on pages 7 to 11.

#### 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.



AN Andrews FCA

15 Wentworth Road, Sutton Coldfield, West Midlands B74 2SD

19 August 2025

**FRIENDS OF SICK CHILDREN IN MALAWI**

England & Wales - Charity number 1140578

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# Accounts

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# Friends of Sick Children in Malawi

**FRIENDS OF SICK CHILDREN IN MALAWI**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2023**

Charity Number 1140578

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**Charity Name:** Friends of Sick Children in Malawi

**Registered Charity Number:** 1140578

**Principal Address:** c/o Squire Patton Boggs (UK) LLP  
Rutland House  
148 Edmund Street  
Birmingham  
B3 2JR

**Website address:** [www.friendsofsickchildreninmalawi.com](http://www.friendsofsickchildreninmalawi.com)

**e-mail address:** [info@foscim.org](mailto:info@foscim.org)

**Trustees who have acted during the year:**

Alexis Cowie  
Gordon Cowie MBE  
Professor Elizabeth Molyneux OBE  
Stuart Reynolds

**Bankers to the Charity:** HSBC  
PO Box 68  
130 New Street  
Birmingham B2 4JU

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"to preserve, protect and advance all or any aspects of the health of children in Malawi by providing and assisting in the provision of facilities, support services and equipment not normally provided by the statutory authorities; to advance the education of the public in children's health by the dissemination of health information; and to advance and promote knowledge and education in children's medicine by paying or contributing to the costs of training and education of healthcare workers."

### Organisational Structure

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### Recruitment and Appointment of Trustees

The power of appointing new or additional Trustees is vested in the continuing or surviving Trustees. The Trustees seek to appoint trustees with skills, knowledge and experience needed for the effective administration of the Charity. All Trustees served throughout the year.

## OBJECTIVES AND ACTIVITIES

The overriding objective of FOSCiM is to preserve, protect and advance all or any aspects of the health of children in Malawi. The Trustees regard as essential the continued development of paediatrics in Malawi, one of the world's poorest countries, and aim to support the professionals working in Malawi in this objective.

It does this by raising funds:

- to help pay for resources necessary to treat some of the poorest children in the world;
- to contribute to relevant training and staff development;
- to buy medical and other supplies and equipment; and
- to provide for the manufacture of wheelchairs, home chairs and other orthotic devices for children with severe mobility issues.

The Charity donates money to Friends of Sick Children ('FOSC'), a Malawi children's charity with similar objectives and which operates from The Queen Elizabeth Central Hospital ('QECH'), Blantyre, Malawi, and to the Orthopaedic Department workshop at the same hospital. From time to time it also helps purchase medical and other supplies and arranges shipment to Malawi.

The health needs of children in Malawi continue to be a pressing issue. Children aged under 18 years of age represent roughly half of the total population yet specialist paediatric health provision in Malawi is still developing. The under-5 mortality rate has improved dramatically over the past 25 years, but is still several times more than the equivalent UK figure. More than half of these deaths are due to preventable disease and many are associated with malnutrition. Malaria, malnutrition and HIV are common in Malawian mothers and contribute to a high proportion of infants weighing less than 2.5kg at birth. Simple interventions have been shown to have major benefits in health outcomes and relatively modest contributions (by Western standards) from outside Malawi can make tangible differences to outcomes for sick children in Malawi.

Grants from FOSCiM to FOSC are of particular help in allowing the Children's Department of the QECH to invest in human and physical resources, acquire equipment and supplies, and develop their services for children.

## Public Benefit

The Trustees confirm that they have had regard to the guidance contained in the Charity Commission's general guidance on public benefit when carrying out their grant making activities during the year.

## ACHIEVEMENTS AND PERFORMANCE

### In Malawi

The development of paediatrics, paediatricians and specialist paediatric staff and the development of paediatric facilities at the Queen Elizabeth Central Hospital (QECH) continued in the year.

#### What has been achieved since we started our work in Malawi:

- A major revamp of the Children's Accident & Emergency centre.
- A High Dependency Unit for Children.
- 20 years ago hospital in-patient child mortality rates were 20%; today they are less than 5%.
- Infant and maternal mortality rates have reduced substantially but are still high compared to most nations.
- Malawians are studying at The University of Malawi Medical School and graduating and practising paediatrics in *their own* nation. As a result there are more General and Specialist Malawian Paediatric Consultants and Registrars at work in Malawi.
- Malawians are studying at The Kamuzu College of Nursing and graduating and practising paediatric nursing in *their own* nation.
- Malawian nurses supported in 4 year BSc (Paediatrics and Child Health) degree courses at Mzuzu University.
- Various other medical personnel are being supported in their further development so as to be important parts of driving forward sustainable paediatric healthcare in Malawi.
- Malawian postgraduate BSc Clinical Officers and students supported in training.
- The neonatal intensive care and Kangaroo Care unit that was built is one of the best facilities of its type on the continent of Africa.
- In collaboration with RICE University of Texas, first prize was won in the first ever *Glaxo Smith Kline-Save the Children Global Award for Innovation in Child Healthcare*.
- The first ever One Stop Centre for abused women and children in Malawi was built.
- The creation of a paediatric surgical unit with theatres and intensive care facilities was funded by Madonna through her charity *Raising Malawi*.
- Investment made in in-house manufacturing of wheelchairs and other mobility devices for children with severe mobility issues.
- Collaboration with the QECH Orthopaedic Department and workshop completed its 11<sup>th</sup> year and continues to successfully help children with severe mobility issues by manufacturing and fitting wheelchairs, home chairs for very young children and making various orthotic devices.

## Fundraising

To be in a position to make grants or to deliver charitable benefits in Malawi, the Charity needs to raise funds. Thanks to our loyal supporters, in 2023 we were able to continue our efforts in this regard. Trustees greatly appreciate all the support the Charity receives each year – support which comes from a variety of people, organisations and places; support which ranges from goodwill and encouragement, through making and donating knitted and other goods, to the all important and essential financial donations, large and small.

Here is a selection of that support:

- Funds for a major revamp to The Children's Accident & Emergency building & facilities.  
*Hitesh and Meeta Anadkat - funding most of the structural renovations; and Arthur & Sheila Dolby; and others, some of whom specifically ask to remain anonymous - funding new medical equipment for the unit.*
- Funds for the continuing development and delivery of paediatric healthcare and the further education and development of members of Malawian paediatric staff.  
*Luitgard & Bernd Olgemoeller (Germany); Arthur & Sheila Dolby; The Kitchen Table Charities Trust; The Roger & Douglas Turner Charitable Trust; Luton Sixth Form College; Jane Haxby; St Luke's, Crosby; Terry Aspray; Osnabruck Lions (Germany); Heather Clements; Anne Greene (USA); Peter Bullock; Richard & Maureen Lambert; Vincent van de Walle (USA); Alex Stockdale; Queens University, Belfast final year medical students; and others who specifically request anonymity.*
- Funding for the manufacture of bespoke wheelchairs for children and home chairs for very young children, all immeasurably improving the quality of life for the young recipients and their families.  
*All the many generous people who respond to our Christmas Appeal; The Kitchen Table Charities Trust; and The Roger & Douglas Turner Charitable Trust.*
- Fundraising and items made and items sold through various activities. *Alexis Cowie.*
- Funding for the Kangaroo Care Unit Mother's Food and Ward Programmes.  
*Michael and Henny Billett of New York; and The Moxon Family and friends of England;*
- Our '*army*' of *knitters and sewers* from all over the UK who continue to amaze with the quality and quantity of baby clothes and bed clothes they produce.
- *Adrian and Oliver Bytom of Withybed Holdings Limited* for transport of donated goods to the Malawi bound sea containers;
- *Neil Andrews* who carries out the Independent Examination of these accounts.

## Grantmaking

In 2023 the Charity made grants and purchased items for the benefit of sick children in Malawi totalling £116,740 (2022: £206,890). 2022 was exceptionally high due to the results of a special appeal with respect to equipping the new Paediatric A&E.

## LOOKING FORWARD

The Trustees will continue to do their best to support the work of healthcare professionals and others in Malawi whose objectives are in line with FOSCiM.

Every step forward in Malawi seems to be accompanied by new challenges and currently our **three areas of focus** continue to be:

- **Building a sustainable future**

Training and development of Malawian healthcare professionals, nurses, clinical officers and post-grads has to be a focus and there are a number of funding support needs here.

- **Improving infrastructure**

Overall, the infrastructure throughout the various paediatric departments, wards and facilities needs upgrading thus enabling better specialist services and improving healthcare delivery.

For example, all areas need better access to scanning/ultra sound equipment. The access routes between some wards and facilities need improvement. This involves overhead cover in some cases, and floor surfaces and corridors around many others.

- **Equipment, Drugs and Medical Consumables**

On-going needs in these areas can be found in the NEEDS section of our website.

At the year end there was a national drugs supply emergency. Some of our donors came to our aid with short term funding for critical drugs. Special thanks to Luton Sixth Form College business students and to a West Midlands family who wish to remain anonymous.

There will also be specific needs for equipment and fittings when new facilities such as the new A&E and HDU come online.

Every year, one natural disaster or another seems to hit Malawi. Whether it is cyclones, droughts or disease, Malawi always seems to bear some negative impact. Insofar as they can, our medical colleagues are there for the child victims, sometimes stretching human and medical resources to the limit .... and beyond. Cyclone Freddy and the worst cholera outbreak in Malawi history were two of this year's challenges. Together with our loyal supporters we always try to do what we can to support our medical colleagues at the front line.

The Charity's costs will continue to be kept to an absolute minimum. For 2023, 97.4p of every £1 raised and spent by FOSCiM delivered charitable benefit in Malawi (2022 - 99.5p). Overhead costs were mostly confined to unavoidable charges, such as payment processing and online donation fees, but there was an exceptional cost this year of updating the website which will continue to benefit the charity for several years in the future.

The more the Charity is able to raise the greater the amount that will directly benefit sick children in Malawi.

## FINANCIAL REVIEW

### Reserves Policy

FOSCiM does not have any endowed funds, so all of its capital and income is available to be spent on charitable activities. It is the policy of Trustees to retain only the minimum reserves necessary to cover known and anticipated costs and to spend the remaining available resources to benefit the children of Malawi. Where donations have been received that are designated for a particular purpose (for example the purchase of equipment) they may be retained whilst suitable equipment is identified and sufficient additional funds have been raised.

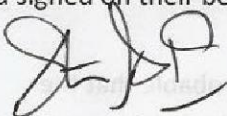
### Statement of Financial Activities

	2023 Unrestricted Funds £	2023 Total Funds £	2022 Total Funds £
<b>Income</b>			
- Donations	71,825	71,825	76,264
- Grants	27,725	27,725	14,000
- Fundraising by supporters	10,001	10,001	1,989
<b>Total Income</b>	<u>109,551</u>	<u>109,551</u>	<u>92,252</u>
<b>Expenditure</b>			
- Online Transaction Charges	1,049	1,049	739
- Telephone Costs	60	60	60
- Bank Account Charges	135	135	139
- Website	1,890	1,890	-
- Governance	9	9	-
Expenditure on charitable activities			
- Grants	86,547	86,547	175,622
- Orthopaedic Centre	26,746	26,746	21,064
- Medical equipment	3,447	3,447	10,204
<b>Total Expenditure</b>	<u>119,883</u>	<u>119,883</u>	<u>207,828</u>
<b>Net income/(expenditure)</b>	<u>(10,332)</u>	<u>(10,332)</u>	<u>(115,576)</u>
<b>Total Funds Brought Forward</b>	39,430	39,430	155,006
<b>Total Funds Carried Forward</b>	<u>29,098</u>	<u>29,098</u>	<u>39,430</u>

**Balance Sheet**

	Unrestricted Funds 2023 £	Total Funds 2023 £	Prior Year 2022 £
<b>Current Assets</b>			
- Debtors	1,616	1,616	10,755
- Cash at Bank	27,482	27,482	28,675
<b>Total Current Assets</b>	<u>29,098</u>	<u>29,098</u>	<u>39,430</u>
<b>Liabilities</b>			
- Creditors falling due within one year		-	
<b>Net Current Assets</b>	<u>29,098</u>	<u>29,098</u>	<u>39,430</u>
<b>Net Assets</b>	<u>29,098</u>	<u>29,098</u>	<u>39,430</u>
<b>Funds of the Charity</b>			
- Unrestricted income funds	29,098	29,098	39,430
<b>Total Charity Funds</b>	<u>29,098</u>	<u>29,098</u>	<u>39,430</u>

Approved by the Trustees on and signed on their behalf by



Stuart Reynolds  
Trustee

31 MAY 2024

## Notes to the Financial Statements

### 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) (effective 1 January 2019) 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

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. There are no restricted funds, however donations totalling £15,930 held at the year end (2022: £36,488) have been designated for various purposes including equipment and wheelchair production as detailed below:

Fund	2023	2022
Wheelchairs etc. manufacture	10,159	27,050
Drugs	3,767	-
Other designated funds	950	5,345
Education	690	529
Children's A&E	364	3,352
FOSC Staff Pay	-	212
<b>Totals</b>	<b>15,930</b>	<b>36,488</b>

#### (c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Trust has been notified in writing 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 of 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 reliably measurable with a reasonable degree of accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **(d) Expenditure recognition**

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

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.

#### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### **(f) Charitable activities**

Costs of charitable activities include grants made and directly attributable support costs.

### **2. CHARITABLE STATUS**

The Trust is recognised by HMRC as having charitable status and was registered by the Charity Commission on 24 February 2011 once the minimum income threshold for registration could be demonstrated.

### **3. TRUSTEES' REMUNERATION**

No remuneration was paid or payable in respect of the year out of the funds of the Charity either directly or indirectly to any Trustee. £237.77 was reimbursed to Trustees in 2023 for amounts they paid on behalf of the Charity (2022 - £28.98).

### **4. EXAMINATION OF THE ACCOUNTS**

No fees were paid or are payable for the independent examination of the accounts.

## 5. EMPLOYEES

The Charity had no full or part time employees during the year.

## 6. GRANTS AND SUPPORT COSTS

The Charity delivers its charitable benefits by making grants to a Malawi charity, Friends of Sick Children (FOSC), which has similar aims and objects to the Charity, and by direct purchase of equipment and facilities for the Children's Department and The Orthopaedic Centre of the Queen Elizabeth Central Hospital, Blantyre, Malawi. An analysis of charitable expenditure and associated support costs in this and the previous year is as follows:

	Direct charitable expenditure	Bank charges	Other Costs	Total
<b>2023</b>				<b>2023</b>
Grants	86,478	69	0	<b>86,547</b>
Orthopaedic Centre	26,688	58	0	<b>26,746</b>
Medical Equipment	2,866	69	512	<b>3,447</b>
Support & Governance	0	824	2,319	<b>3,143</b>
	<b>116,032</b>	<b>1,020</b>	<b>2,831</b>	<b>119,883</b>
	Direct charitable expenditure	Bank charges	Other Costs	Total
<b>2022</b>				<b>2022</b>
Grants	175,529	93	0	<b>175,622</b>
Orthopaedic Centre	21,006	58	0	<b>21,064</b>
Medical Equipment	9,338	23	843	<b>10,204</b>
Support & Governance	0	662	276	<b>938</b>
	<b>205,873</b>	<b>836</b>	<b>1,119</b>	<b>207,828</b>

*£512 was paid to transport 2.5cubic metres of donated items to Malawi [£814 was paid for 5.88 cubic metres in 2022]*

## 7. RELATED PARTY TRANSACTIONS

The Charity made grants to FOOSC, a Malawi charity of which one of the Trustees, Professor Molyneux, is also a Trustee. The other Trustees value the expertise that Professor Molyneux is able to bring to the Charity and her particular knowledge and understanding of where charitable support can make the biggest difference to sick children in Malawi.

The Charity had no transactions with any Trustee or (with the exception of FOOSC) with any connected or related party of any Trustee, and no Trustee received any benefit, direct or indirect, from the Charity.

## 8. CONTROL RELATIONSHIP

The Charity is under the control of the Trustees.

### Independent examiner's report to the trustees of Friends of Sick Children in Malawi

I report on the accounts of the Friends of Sick Children in Malawi for the year ended 31 December 2023 which are set out on pages 7 to 11.

#### 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.



AN Andrews FCA  
15 Wentworth Road, Sutton Coldfield, West Midlands B74 2SD

31 May 2024

**FRIENDS OF SICK CHILDREN IN MALAWI**

England & Wales - Charity number 1140578

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# Accounts

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Friends of Sick Children  
in Malawi

**FRIENDS OF SICK CHILDREN IN MALAWI**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2022**

Charity Number 1140578

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The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the 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 applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2019.

## REFERENCE AND ADMINISTRATIVE DETAILS

**Charity Name:** Friends of Sick Children in Malawi

**Registered Charity Number:** 1140578

**Principal Address:** c/o Squire Patton Boggs (UK) LLP  
Rutland House  
148 Edmund Street  
Birmingham  
B3 2JR

**Website address:** [www.friendsofsickchildreninmalawi.com](http://www.friendsofsickchildreninmalawi.com)

**e-mail address:** [info@foscim.org](mailto:info@foscim.org)

**Trustees** who have acted during the year:

Alexis Cowie  
Gordon Cowie MBE  
Professor Elizabeth Molyneux OBE  
Stuart Reynolds

**Bankers** to the Charity: HSBC  
PO Box 68  
130 New Street  
Birmingham B2 4JU

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing Document

'Friends of Sick Children in Malawi' (also known as 'FOSCIM') is governed by a Declaration of Trust dated 22 December 2009 as amended (with the prior consent of the Charity Commission) by a Deed of Amendment dated 5<sup>th</sup> April 2016. The objects of the charity are:

"to preserve, protect and advance all or any aspects of the health of children in Malawi by providing and assisting in the provision of facilities, support services and equipment not normally provided by the statutory authorities; to advance the education of the public in children's health by the dissemination of health information; and to advance and promote knowledge and education in children's medicine by paying or contributing to the costs of training and education of healthcare workers."

### Organisational Structure

The Charity does not employ any staff or pay for offices. The board of trustees comprise the key management personnel of the charity, in charge of directing and controlling the charity and operating the charity on a day to day basis. All Trustees give of their time freely and no remuneration was paid in the year. By making use of modern technology wherever possible, costs of running the Charity are kept to an absolute minimum.

### Recruitment and Appointment of Trustees

The power of appointing new or additional Trustees is vested in the continuing or surviving Trustees. The Trustees seek to appoint trustees with skills, knowledge and experience needed for the effective administration of the Charity. All Trustees served throughout the year.

## OBJECTIVES AND ACTIVITIES

The overriding objective of FOSCiM is to preserve, protect and advance all or any aspects of the health of children in Malawi. The Trustees regard as essential the continued development of paediatrics in Malawi, one of the world's poorest countries, and aim to support the professionals working in Malawi in this objective.

It does this by raising funds:

- to help pay for resources necessary to treat some of the poorest children in the world;
- to contribute to relevant training and staff development;
- to buy medical and other supplies and equipment; and
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The health needs of children in Malawi continue to be a pressing issue. Children aged under 18 years of age represent roughly half of the total population yet specialist paediatric health provision in Malawi is still developing. The under-5 mortality rate has improved dramatically over the past 25 years, but is still several times more than the equivalent UK figure. More than half of these deaths are due to preventable disease and many are associated with malnutrition. Malaria, malnutrition and HIV are common in Malawian mothers and contribute to a high proportion of infants weighing less than 2.5kg at birth. Simple interventions have been shown to have major benefits in health outcomes and relatively modest contributions (by Western standards) from outside Malawi can make tangible differences to outcomes for sick children in Malawi.

Grants from FOSCiM to FOSC are of particular help in allowing the Children's Department of the QECH to invest in human and physical resources, acquire equipment and supplies, and develop their services for children.

## Public Benefit

The Trustees confirm that they have had regard to the guidance contained in the Charity Commission's general guidance on public benefit when carrying out their grant making activities during the year.

## ACHIEVEMENTS AND PERFORMANCE

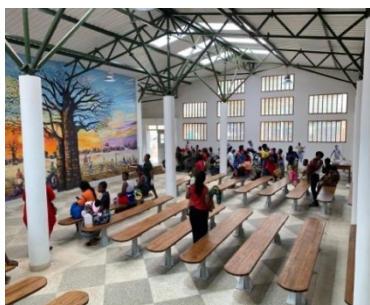
### In Malawi

The development of paediatrics, paediatricians and specialist paediatric staff and the development of paediatric facilities at the Queen Elizabeth Central Hospital (QECH) continued in the year.

#### What has been achieved:

- A major revamp of the Children's Accident & Emergency centre is at an advanced stage.
- In 2021 a new High Dependency Unit for Children.
- 20 years ago hospital in-patient child mortality rates were 20%; today they are less than 5%.
- Infant and maternal mortality rates have reduced substantially but are still high compared to most nations.
- Malawians are studying at The University of Malawi Medical School and graduating and practising paediatrics in *their own* nation. As a result there are more General and Specialist Malawian Paediatric Consultants and Registrars at work in Malawi.
- Malawians are studying at The Kamuzu College of Nursing and graduating and practising paediatric nursing in *their own* nation.
- Mature Malawian FOSC nurses are at various stages of 4 year BSc (Paediatrics and Child Health) degree courses at Mzuzu University following some who have already graduated.
- Various other medical personnel are being supported in their further development so as to be important parts of driving forward sustainable paediatric healthcare in Malawi.
- There are Malawian postgraduate BSc Clinical Officers and students in training.
- The neonatal intensive care and Kangaroo Care unit that was built is one of the best facilities of its type on the continent of Africa.
- In collaboration with RICE University of Texas, first prize was won in the first ever *Glaxo Smith Kline-Save the Children Global Award for Innovation in Child Healthcare*.
- The first ever One Stop Centre for abused women and children in Malawi built.
- The creation of a paediatric surgical unit with theatres and intensive care facilities was funded by Madonna through her charity *Raising Malawi*.
- Investment made in in-house manufacturing of wheelchairs and other mobility devices for children with severe mobility issues.
- Collaboration with the QECH Orthopaedic Department and workshop completed its 9<sup>th</sup> year and continues to successfully help children with severe mobility issues by manufacturing wheelchairs, home chairs for very young children and various orthotic devices.

Revamping the vital Children's Accident and Emergency building and facilities – some images



During the year, the 1,000<sup>th</sup> home chair was presented to the family of one-year old Ashraj Makungwa, pictured right with his mum at the Orthopaedic Workshop.

Ashraf and his family come from Tebulo 1 Village, Mwambo, Zomba and the little boy lives with Cerebral Palsy.

The family was given a small cash gift to mark the occasion and help with looking after their son.



## Fundraising

To be in a position to make grants or to deliver charitable benefits in Malawi, the Charity needs to raise funds. The Financial Review illustrates how in 2022, thanks to our loyal supporters, we were able to continue our efforts in this regard. Trustees greatly appreciate all the support the Charity receives each year – support which comes from a variety of people, organisations and places; support which ranges from goodwill and encouragement, through making and donating knitted and other goods, to the all important and essential financial donations, large and small.

Here is a selection of that support:

- Funds for a major revamp to The Children's Accident & Emergency building & facilities. *Hitesh and Meeta Anadkat - funding most of the structural renovations; and Arthur & Sheila Dolby; and some others who specifically ask to remain anonymous - funding new medical equipment for the unit.*
- Funds for the continuing development and delivery of paediatric healthcare and the further education and development of members of Malawian paediatric staff. *Luitgard & Bernd Olgemoeller (Germany); Arthur & Sheila Dolby; Heather Clements; Anne Greene (USA); Peter Bullock; Richard & Maureen Lambert; Vincent van de Walle (USA); Alex Stockdale; and some others who specifically ask to remain anonymous.*
- Funding for the manufacture of bespoke wheelchairs for children and home chairs for very young children, all immeasurably improving the quality of life for the young recipients and their families. *All the many generous people who respond to our Christmas Appeal; The Kitchen Table Charities Trust; and The Roger & Douglas Turner Charitable Trust.*
- Fundraising and items made and items sold through various activities. *Alexis Cowie.*
- Funding for drugs. *The Mai Aisha Trust and the Kassam family of Malawi.*

- Funding for the Kangaroo Care Unit Mother's Food and Ward Programmes.  
*Michael and Henny Billett of New York; and The Moxon Family and friends of England;*
- Our '*army of knitters and sewers*' from all over the UK who continue to amaze with the quality and quantity of baby clothes and bed clothes they produce.
- *Adrian Bytom of ELC Contractors Limited* for transport of donated goods to the Malawi bound sea containers;
- *Neil Andrews* who carries out the Independent Examination of these accounts.

### Grantmaking

In 2022 the Charity made grants and purchased items for the benefit of sick children in Malawi totalling £206,890 (2021: 112,977).

### LOOKING FORWARD

The Trustees will continue to do their best to support the work of healthcare professionals and others in Malawi whose objectives are in line with FOSCiM.

Every step forward in Malawi seems to be accompanied by new challenges and currently our **three areas of focus** are:

- **Building a sustainable future**  
Training and development of Malawian healthcare professionals, nurses, clinical officers and post-grads has to be a focus and there are a number of funding support needs here.
- **Improving infrastructure**  
Overall, the infrastructure throughout the various paediatric departments, wards and facilities need upgrading thus enabling better specialist services and improving healthcare delivery.  
For example, all areas need better access to scanning/ultra sound equipment. The access routes between some wards and facilities need improvement. This involves overhead cover in some cases, and floor surfaces and corridors around many others.
- **Drugs and Equipment and Medical Consumables**  
On-going needs in this area can be found in the NEEDS section of our website.  
There will also be specific needs for equipment and fittings when new facilities such as the new HDU come forward.

The Charity's costs will continue to be kept to an absolute minimum. For 2022, 99.5p of every £1 raised and spent by FOSCiM delivered charitable benefit in Malawi (2021 - 99.5p). Overhead costs were mostly confined to unavoidable charges, such as payment processing and online donation fees. The more the Charity is able to raise the greater the amount that will directly benefit sick children in Malawi.

**FINANCIAL REVIEW****Reserves Policy**

FOSCiM does not have any endowed funds, so all of its capital and income is available to be spent on charitable activities. It is the policy of Trustees to retain only the minimum reserves necessary to cover known and anticipated costs and to spend the remaining available resources to benefit the children of Malawi. Where donations have been received that are designated for a particular purpose (for example the purchase of equipment) they may be retained whilst suitable equipment is identified and sufficient additional funds have been raised.

**Statement of Financial Activities**

	<b>2022</b>	<b>2022</b>	2021
	<b>Unrestricted</b>	<b>Total</b>	Total
	<b>Funds</b>	<b>Funds</b>	Funds
	£	£	£
<b>Income</b>			
- Donations	76,264	<b>76,264</b>	74,867
- Grants	14,000	<b>14,000</b>	11,060
- Fundraising by supporters	1,989	<b>1,989</b>	13,238
<b>Total Income</b>	<u>92,252</u>	<u><b>92,252</b></u>	<u>99,165</u>
<b>Expenditure</b>			
- Online Transaction Charges	739	<b>739</b>	424
- Telephone Costs	60	<b>60</b>	60
- Bank Account Charges	139	<b>139</b>	77
Expenditure on charitable activities			
- Grants	175,622	<b>175,622</b>	96,522
- Orthopaedic Centre	21,064	<b>21,064</b>	16,022
- Medical equipment	10,175	<b>10,175</b>	284
- Miscellaneous	29	<b>29</b>	149
<b>Total Expenditure</b>	<u>207,828</u>	<u><b>207,828</b></u>	<u>113,538</u>
<b>Net income/(expenditure)</b>	<u>(115,576)</u>	<u>(115,576)</u>	<u>(14,373)</u>
Total Funds Brought Forward	155,006	155,006	169,379
<b>Total Funds Carried Forward</b>	<u>39,430</u>	<u>39,430</u>	<u>155,006</u>

**Balance Sheet**

	Unrestricted Funds 2022 £	<b>Total Funds 2022 £</b>	Prior Year 2021 £
<b>Current Assets</b>			
- Debtors	10,755	10,755	9,468
- Cash at Bank	28,675	28,675	145,538
<b>Total Current Assets</b>	<u>39,430</u>	<u><b>39,430</b></u>	<u>155,006</u>
<b>Liabilities</b>			
- Creditors falling due within one year	-	-	-
<b>Net Current Assets</b>	<u>39,430</u>	<u><b>39,430</b></u>	<u>155,006</u>
<b>Net Assets</b>	<u>39,430</u>	<u><b>39,430</b></u>	<u>155,006</u>
<b>Funds of the Charity</b>			
- Unrestricted income funds	39,430	<b>39,430</b>	155,006
<b>Total Charity Funds</b>	<u>39,430</u>	<u><b>39,430</b></u>	<u>155,006</u>

Approved by the Trustees on  
and signed on their behalf by



Stuart Reynolds  
Trustee

26 September 2023

## Notes to the Financial Statements

### 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) (effective 1 January 2019) 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

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. There are no restricted funds, however donations totalling £36,488 held at the year end (2021: £150,965) have been designated for various purposes including equipment and wheelchair production as detailed below:

<b>Fund</b>	<b>2022</b>	<b>2021</b>
Wheelchairs etc. manufacture	27,050	24,436
Other designated funds	5,345	7,598
Children's A&E	3,352	76,410
Education	529	39,819
FOSC Staff Pay	212	2,702
<b>Totals</b>	<b>36,488</b>	<b>150,965</b>

#### (c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Trust has been notified in writing 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 reliably measurable with a reasonable degree of accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **(d) Expenditure recognition**

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

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.

#### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### **(f) Charitable activities**

Costs of charitable activities include grants made and directly attributable support costs.

## **2. CHARITABLE STATUS**

The Trust is recognised by HMRC as having charitable status and was registered by the Charity Commission on 24 February 2011 once the minimum income threshold for registration could be demonstrated.

## **3. TRUSTEES' REMUNERATION**

No remuneration was paid or payable in respect of the year out of the funds of the Charity either directly or indirectly to any Trustee. £28.98 was reimbursed to one Trustee in 2022 for amounts they paid on behalf of the Charity (2021 - one Trustee £148.55).

## **4. EXAMINATION OF THE ACCOUNTS**

No fees were paid or are payable for the independent examination of the accounts.

## 5. EMPLOYEES

The Charity had no full or part time employees during the year.

## 6. GRANTS AND SUPPORT COSTS

The Charity delivers its charitable benefits by making grants to a Malawi charity, Friends of Sick Children (FOSC), which has similar aims and objects to the Charity, and by direct purchase of equipment and facilities for the Children's Department and The Orthopaedic Centre of the Queen Elizabeth Central Hospital, Blantyre, Malawi. An analysis of charitable expenditure and associated support costs in this and the previous year is as follows:

	Direct charitable expenditure	Bank charges	Other Costs	Total 2022
<b>2022</b>				
Grants	175,529	93	0	<b>175,622</b>
Orthopaedic Centre	21,006	58	0	<b>21,064</b>
Medical Equipment	9,338	23	843	<b>10,204</b>
Support & Governance	0	662	276	<b>938</b>
	<b>205,873</b>	<b>836</b>	<b>1,119</b>	<b>207,828</b>

	Direct charitable expenditure	Bank charges	Other Costs	Total 2021
<b>2021</b>				
Grants	96,437	85	0	<b>96,522</b>
Orthopaedic Centre	15,901	34	88	<b>16,023</b>
Medical Equipment	0	0	432	<b>432</b>
Support & Governance	0	447	114	<b>561</b>
	<b>112,338</b>	<b>566</b>	<b>634</b>	<b>113,538</b>

*£ 814 was paid to transport 5.88 cubic metres of donated items to Malawi [£338 was paid for 2.84 cubic metres in 2021]*

## 7. RELATED PARTY TRANSACTIONS

The Charity made grants to FOSC, a Malawi charity of which one of the Trustees, Professor Molyneux, is also a Trustee. The other Trustees value the expertise that Professor Molyneux is able to bring to the Charity and her particular knowledge and understanding of where charitable support can make the biggest difference to sick children in Malawi.

The Charity had no transactions with any Trustee or (with the exception of FOSC) with any connected or related party of any Trustee, and no Trustee received any benefit, direct or indirect, from the Charity.

## 8. CONTROL RELATIONSHIP

The Charity is under the control of the Trustees.

### Independent examiner's report to the trustees of Friends of Sick Children in Malawi

I report on the accounts of the Friends of Sick Children in Malawi for the year ended 31 December 2022 which are set out on pages 7 to 11.

#### 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.



**AN Andrews FCA**  
**15 Wentworth Road, Sutton Coldfield, West Midlands B74 2SD**

26/09/2023

**FRIENDS OF SICK CHILDREN IN MALAWI**

England & Wales - Charity number 1140578

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# Accounts

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**FRIENDS OF SICK CHILDREN IN MALAWI**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

Charity Number 1140578



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The Trustees present their annual report and financial statements for the charity for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the 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 applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014.

## REFERENCE AND ADMINISTRATIVE DETAILS

**Charity Name:** Friends of Sick Children in Malawi

**Registered Charity Number:** 1140578

**Principal Address:** c/o Squire Patton Boggs (UK) LLP  
Rutland House  
148 Edmund Street  
Birmingham  
B3 2JR

**Website address:** [www.friendsofsickchildreninmalawi.org](http://www.friendsofsickchildreninmalawi.org)

**e-mail address:** [info@friendsofsickchildreninmalawi.org](mailto:info@friendsofsickchildreninmalawi.org)

**Trustees who have acted during the year:**

Alexis Cowie  
Gordon Cowie MBE  
Professor Elizabeth Molyneux OBE  
Stuart Reynolds

**Bankers to the Charity:** HSBC  
PO Box 68  
130 New Street  
Birmingham B2 4JU

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing Document

'Friends of Sick Children in Malawi' (also known as 'FOSCiM') is governed by a Declaration of Trust dated 22 December 2009 as amended (with the prior consent of the Charity Commission) by a Deed of Amendment dated 5<sup>th</sup> April 2016. The objects of the charity are:

"to preserve, protect and advance all or any aspects of the health of children in Malawi by providing and assisting in the provision of facilities, support services and equipment not normally provided by the statutory authorities; to advance the education of the public in children's health by the dissemination of health information; and to advance and promote knowledge and education in children's medicine by paying or contributing to the costs of training and education of healthcare workers."

## Organisational Structure

The Charity does not employ any staff or pay for offices. The board of trustees comprise the key management personnel of the charity, in charge of directing and controlling the charity and operating the charity on a day to day basis. All Trustees give of their time freely and no remuneration was paid in the year. By making use of modern technology wherever possible, costs of running the Charity are kept to an absolute minimum.

## Recruitment and Appointment of Trustees

The power of appointing new or additional Trustees is vested in the continuing or surviving Trustees. The Trustees seek to appoint trustees with skills, knowledge and experience needed for the effective administration of the Charity. All Trustees served throughout the year.

## OBJECTIVES AND ACTIVITIES

The overriding objective of FOSCiM is to preserve, protect and advance all or any aspects of the health of children in Malawi. The Trustees regard as essential the continued development of paediatrics in Malawi, one of the world's poorest countries, and aim to support the professionals working in Malawi in this objective.

It does this by raising funds:

- to help pay for resources necessary to treat some of the poorest children in the world;
- to contribute to relevant training and staff development;
- to buy medical and other supplies and equipment; and
- to provide for the manufacture of wheelchairs, home chairs for tots and other orthotic devices for children with severe mobility issues.

The Charity donates money to Friends of Sick Children ('FOSC'), a Malawi children's charity with similar objectives and which operates from The Queen Elizabeth Central Hospital ('QECH'), Blantyre, Malawi, and to the Orthopaedic Department workshop at the same hospital. From time to time it also helps purchase medical and other supplies and arranges shipment to Malawi.

The health needs of children in Malawi continue to be a pressing issue. Children aged under 18 years of age represent roughly half of the total population yet specialist paediatric health provision in Malawi is still developing. The under-5 mortality rate has improved dramatically over the past 25 years, but is still several times more than the equivalent UK figure. More than half of these deaths are due to preventable disease and many are associated with malnutrition. Malaria, malnutrition and HIV are common in Malawian mothers and contribute to a high proportion of infants weighing less than 2.5kg at birth. Simple interventions have been shown to have major benefits in health outcomes and relatively modest contributions (by Western standards) from outside Malawi can make tangible differences to outcomes for sick children in Malawi.

Grants from FOSCiM to FOSC are of particular help in allowing the Children's Department of the QECH to invest in human and physical resources, acquire equipment and supplies, and develop their services for children.

## Public Benefit

The Trustees confirm that they have had regard to the guidance contained in the Charity Commission's general guidance on public benefit when carrying out their grant making activities during the year.

## ACHIEVEMENTS AND PERFORMANCE

### In Malawi

The development of paediatrics, paediatricians and specialist paediatric staff and the development of paediatric facilities at the Queen Elizabeth Central Hospital (QECH) continued in the year.

#### What has been achieved:

- Opening in 2021 of a new High Dependency Unit for Children.



- 20 years ago hospital in-patient child mortality rates were 20%; today they are less than 5%.
- Infant and maternal mortality rates have reduced substantially but are still high compared to most nations.
- Malawians are studying at The University of Malawi Medical School and graduating and practising paediatrics in *their own* nation. As a result there are more General and Specialist Malawian Paediatric Consultants and Registrars at work in Malawi.
- Malawians are studying at The Kamuzu College of Nursing and graduating and practising paediatric nursing in *their own* nation.
- Mature Malawian FOSC nurses are at various stages of 4 year BSc (Paediatrics and Child Health) degree courses at Mzuzu University following some who have already graduated.
- Various other medical personnel are being supported in their further development so as to be important parts of driving forward sustainable paediatric healthcare in Malawi.
- There are Malawian postgraduate BSc Clinical Officers and students in training.
- The neonatal intensive care and Kangaroo Care unit that was built is one of the best facilities of its type on the continent of Africa.
- In collaboration with RICE University of Texas, first prize was won in the first ever *Glaxo Smith Kline-Save the Children Global Award for Innovation in Child Healthcare*.
- The first ever One Stop Centre for abused women and children in Malawi has been built.
- Investment made in in-house manufacturing of wheelchairs and other mobility devices for children with severe mobility issues.

During the year, the 1,000<sup>th</sup> wheelchair made in collaboration with the Orthopaedic Workshop was presented to a camera shy Davie Luwishi who is 'lost' in the middle of the photograph below.



From the back and left to right, Wilson Nanungu (Head of Department - Orthopaedic Centre), Mr and Mrs Luwishi (parents), Matron Ms Linely Chewere (Deputy Hospital Director), Robster Nyirenda (former Head of Department - Orthopaedic Centre) retired, Matilda Lali and Merlin Majawa (representing FOSCiM). Front – members of the Workshop team : Alex Jambo, Gilbert Chimpanzi, Langsfield Mwachimba, John Mmora and Lameck Mbungo.

### Fundraising

To be in a position to make grants or to deliver charitable benefits in Malawi, the Charity needs to raise funds. The Financial Review illustrates how, thanks to our loyal supporters, in 2021 we were able to continue our efforts in this regard.

Trustees greatly appreciate all the support the Charity receives each year – support which comes from a variety of people, organisations and places; support which ranges from goodwill and encouragement, through making and donating knitted and other goods, to the all important and essential financial donations, large and small.

Here is a selection of that support:

- Funds to ensure the successful creation of a new High Dependency Unit for Children *Arthur & Sheila Dolby; The Foundation of The Order of the Fleur de Lys; and Paediatric Staff & Friends in Malawi and their sponsored 3 Malawi peaks hike.*
- Funds to ensure the continuing development and delivery of paediatric healthcare. *Luitgard & Bernd Olgemoeller (Germany); Arthur & Sheila Dolby; Heather Clements; Anne Greene (USA); Peter Bullock; and some others who specifically ask to remain anonymous*
- Funding the education and development of Malawian paediatric staff. *Richard & Maureen Lambert; Vincent van de Walle (USA); Alex Stockdale; Neil Kennedy; and some others who specifically ask to remain anonymous.*
- Funding towards the refurbishment and upgrade of the Children's Accident & Emergency facilities. *Arthur & Sheila Dolby; and some others who specifically ask to remain anonymous.*

- Funding for the manufacture of bespoke wheelchairs for children and home chairs for very young children, all immeasurably improving the quality of life for the young recipients and their families.  
*All the many generous people who commission chairs as presents for Christmas and the like; The Kitchen Table Charities Trust; and The Roger & Douglas Turner Charitable Trust.*
- Funds for running the One Stop Centre for abused women and children.  
*Neil, Ben and Abi Kennedy; and The Hamilton Road Presbyterian Church, Bangor, N Ireland.*
- Funding for drugs. *The Mai Aisha Trust and the Kassam family of Malawi.*
- Funding for the Kangaroo Care Unit Mother's Food and Ward Programmes.  
*Michael and Henny Billett of New York; and The Moxon Family and friends of England;*
- Donations of Medical consumables and supplies. *Dolby Vivisol.*
- Fundraising and items made and items sold through various activities. *Alexis Cowie.*
- Our 'army' of knitters and sewers from all over the UK who continue to amaze with the quality and quantity of baby clothes and bed clothes they produce.
- *Adrian Bytom of ELC Contractors Limited* for transport of donated goods to the Malawi bound sea containers;
- *Neil Andrews* who carries out the Independent Examination of these accounts.

### Grantmaking

In 2021 the Charity made grants for the benefit of sick children in Malawi totalling £113,054 (2020: £113,596).

In addition to those mentioned above, the Trustees wish to acknowledge with thanks **Jane Haxby (Partner)** and **Squire Patton Boggs (UK) LLP** from which firm and personnel (past and present) the Charity continued to receive professional, donor, corporate and personal support, all of which are greatly appreciated.

### LOOKING FORWARD

The Trustees will continue to do their best to support the work of healthcare professionals and others in Malawi whose objectives are in line with FOSCiM.

Every step forward in Malawi seems to be accompanied by new challenges and currently the **three principal challenges** are:

- Funding refurbishment and upgrading of the Children's Accident & Emergency facilities;
- Funding individuals in paediatric studies, from nurses to registrars through to consultants;
- Managing healthcare delivery during the Covid-19 pandemic, a situation that has seen remaining personnel stretched further than ever before.

The Charity's costs will continue to be kept to an absolute minimum. For 2021, 99.6p of every £1 raised and spent by FOSCIM delivered charitable benefit in Malawi (2020 - 99.2p). Overhead costs were mostly confined to unavoidable charges, such as payment processing and online donation fees. The more the Charity is able to raise the greater the amount that will directly benefit sick children in Malawi.

## FINANCIAL REVIEW

### Reserves Policy

FOSCIM does not have any endowed funds, so all of its capital and income is available to be spent on charitable activities. It is the policy of Trustees to retain only the minimum reserves necessary to cover known and anticipated costs and to spend the remaining available resources to benefit the children of Malawi. Where donations have been received that are designated for a particular purpose (for example the purchase of equipment) they may be retained whilst suitable equipment is identified and sufficient additional funds have been raised.

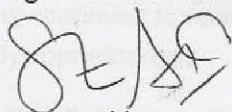
### Statement of Financial Activities

	2021 Unrestricted Funds £	2021 Total Funds £	2020 Total Funds £
<b>Income</b>			
- Donations	74,867	74,867	54,782
- Grants	11,060	11,060	31,667
- Fundraising by supporters	13,238	13,238	5,788
- Covid-19 Appeal	-	-	137,986
<b>Total Income</b>	<u>99,165</u>	<u>99,165</u>	<u>230,223</u>
<b>Expenditure</b>			
- Online Payment Fees	424	424	532
- Telephone Costs	60	60	60
- Marketing	-	-	338
Expenditure on charitable activities			
- Covid-19 Grants	-	-	81,655
- Grants to FOSC	96,599	96,599	6,065
- Orthopaedic Centre	16,022	16,022	21,891
- Education Grants	-	-	3,000
- Equipment Purchases	284	284	850
- Miscellaneous	149	149	135
<b>Total Expenditure</b>	<u>113,538</u>	<u>113,538</u>	<u>114,526</u>
<b>Net income/(expenditure)</b>	<u>(14,373)</u>	<u>(14,373)</u>	<u>115,697</u>
Total Funds Brought Forward	169,379	169,379	53,682
<b>Total Funds Carried Forward</b>	<u>155,006</u>	<u>155,006</u>	<u>169,379</u>

**Balance Sheet**

	Unrestricted Funds 2021 £	Total Funds 2021 £	Prior Year 2020 £
<b>Current Assets</b>			
- Debtors	9,468	9,468	11,835
- Cash at Bank	145,538	145,538	158,544
<b>Total Current Assets</b>	<u>155,006</u>	<u>155,006</u>	<u>170,379</u>
<b>Liabilities</b>			
- Creditors falling due within one year	-	-	1,000
<b>Net Current Assets</b>	<u>155,006</u>	<u>155,006</u>	<u>169,379</u>
<b>Net Assets</b>	<u>155,006</u>	<u>155,006</u>	<u>169,379</u>
<b>Funds of the Charity</b>			
- Unrestricted income funds	155,006	155,006	169,379
<b>Total Charity Funds</b>	<u>155,006</u>	<u>155,006</u>	<u>169,379</u>

Approved by the Trustees on  
and signed on their behalf by



Stuart Reynolds  
Trustee

20 June 2022

## Notes to the Financial Statements

### 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

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. There are no restricted funds, however donations totalling £150,965 held at the year end (2020: £ 167,040) have been designated for various purposes including the A&E Development, Education and wheelchair production as detailed below:

Fund	2021	2020
- A&E Funds	76,410	-
- Education Fund	39,819	25
- Wheelchairs etc	24,436	16,427
- Other designated funds	7,598	8,635
- FOSC Staff Pay Fund	2,702	21,000
- Covid-19 Appeal	-	56,453
- Sheila & Arthur Dolby Fund	-	32,500
- Equipment	-	17,000
- HDU	-	15,000
<b>Totals</b>	<b>150,965</b>	<b>167,040</b>

#### (c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Trust has been notified in writing 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 reliably measurable with a reasonable degree of accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **(d) Expenditure recognition**

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

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.

#### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### **(f) Charitable activities**

Costs of charitable activities include grants made and directly attributable support costs.

### **2. CHARITABLE STATUS**

The Trust is recognised by HMRC as having charitable status and was registered by the Charity Commission on 24 February 2011.

### **3. TRUSTEES' REMUNERATION**

No remuneration was paid or payable in respect of the year out of the funds of the Charity either directly or indirectly to any Trustee. £255.55 was reimbursed to two Trustees in 2021 for amounts they paid on behalf of the Charity (2020 - two Trustees £540.20).

### **4. EXAMINATION OF THE ACCOUNTS**

No fees were paid or are payable for the independent examination of the accounts.

### **5. EMPLOYEES**

The Charity had no full or part time employees during the year.

**6. GRANTS AND SUPPORT COSTS**

The Charity delivers its charitable benefits by making grants to a Malawi charity, Friends of Sick Children (FOSC), which has similar aims and objects to the Charity, and by funding the purchase of equipment and facilities for the Children’s Department and The Orthopaedic Centre of the Queen Elizabeth Central Hospital, Blantyre, Malawi. An analysis of charitable expenditure and associated support costs in this and the previous year is as follows:

	Grants awarded	Bank charges	Direct purchases	Total 2021
Grants	96,437	162	0	96,599
Orthopaedic Centre	15,901	34	88	16,023
Equipment Purchases	0	0	432	432
Support & Governance	0	370	114	484
	<u>112,338</u>	<u>566</u>	<u>634</u>	<u>113,538</u>

	Grants awarded	Bank charges	Direct purchases	Total 2020
Grants / Covid-19	86,000	145	1,575	87,720
Orthopaedic Centre	20,275	61	1,555	21,891
Equipment Purchases	0	0	850	850
Education	0	0	3,135	3,135
Support & Governance	0	532	398	930
	<u>106,275</u>	<u>738</u>	<u>7,513</u>	<u>114,526</u>

**7. RELATED PARTY TRANSACTIONS**

The Charity made grants to FOOSC, a Malawi charity of which one of the Trustees, Professor Molyneux, is also a Trustee. The other Trustees value the expertise that Professor Molyneux is able to bring to the Charity and her particular knowledge and understanding of where charitable support can make the biggest difference to sick children in Malawi.

The Charity had no transactions with any Trustee or (with the exception of FOOSC) with any connected or related party of any Trustee, and no Trustee received any benefit, direct or indirect, from the Charity.

**8. CONTROL RELATIONSHIP**

The Charity is under the control of the Trustees.

### Independent examiner's report to the trustees of Friends of Sick Children in Malawi

I report on the accounts of the Friends of Sick Children in Malawi for the year ended 31 December 2021 which are set out on pages 7 to 11.

#### 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

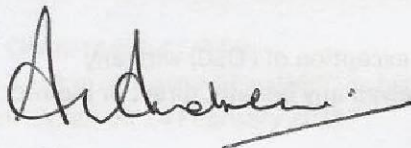
In connection with my examination, no matter has come to my attention:

(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.



AN Andrews FCA

15 Wentworth Road, Sutton Coldfield, West Midlands B74 2SD

23 June 2022

**FRIENDS OF SICK CHILDREN IN MALAWI**

England & Wales - Charity number 1140578

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# Accounts

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**FRIENDS OF SICK CHILDREN IN MALAWI**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

Charity Number 1140578



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The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the 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 applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014.

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>Charity Name:</b>	Friends of Sick Children in Malawi
<b>Registered Charity Number:</b>	1140578
<b>Principal Address:</b>	c/o Squire Patton Boggs (UK) LLP Rutland House 148 Edmund Street Birmingham B3 2JR
<b>Website address:</b>	<a href="http://www.friendsofsickchildreninmalawi.org">www.friendsofsickchildreninmalawi.org</a>
<b>e-mail address:</b>	<a href="mailto:info@friendsofsickchildreninmalawi.org">info@friendsofsickchildreninmalawi.org</a>

**Trustees** who have acted during the year:

Alexis Cowie  
Gordon Cowie MBE  
Professor Elizabeth Molyneux OBE  
Stuart Reynolds

**Bankers to the Charity:** HSBC  
PO Box 68  
130 New Street  
Birmingham B2 4JU

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing Document

'Friends of Sick Children in Malawi' (also known as 'FOSCiM') is governed by a Declaration of Trust dated 22 December 2009 as amended (with the prior consent of the Charity Commission) by a Deed of Amendment dated 5<sup>th</sup> April 2016. The objects of the charity are:

"to preserve, protect and advance all or any aspects of the health of children in Malawi by providing and assisting in the provision of facilities, support services and equipment not normally provided by the statutory authorities; to advance the education of the public in children's health by the dissemination of health information; and to advance and promote knowledge and education in children's medicine by paying or contributing to the costs of training and education of healthcare workers."

### Organisational Structure

The Charity does not employ any staff or pay for offices. The board of trustees comprise the key management personnel of the charity, in charge of directing and controlling the charity and operating the charity on a day to day basis. All Trustees give of their time freely and no remuneration was paid in the year. By making use of modern technology wherever possible, costs of running the Charity are kept to an absolute minimum.

### Recruitment and Appointment of Trustees

The power of appointing new or additional Trustees is vested in the continuing or surviving Trustees. The Trustees seek to appoint trustees with skills, knowledge and experience needed for the effective administration of the Charity. All Trustees served throughout the year.

## OBJECTIVES AND ACTIVITIES

The overriding objective of FOSCiM is to preserve, protect and advance all or any aspects of the health of children in Malawi. The Trustees regard as essential the continued development of paediatrics in Malawi, one of the world's poorest countries, and aim to support the professionals working in Malawi in this objective.

It does this by raising funds:

- to help pay for resources necessary to treat some of the poorest children in the world;
- to contribute to relevant training and staff development;
- to buy medical and other supplies and equipment; and
- to provide for the manufacture of wheelchairs, home chairs for tots and other orthotic devices for children with severe mobility issues.

The Charity donates money to Friends of Sick Children ('FOSC'), a Malawi children's charity with similar objectives and which operates from The Queen Elizabeth Central Hospital ('QECH'), Blantyre, Malawi, and to the Orthopaedic Department workshop at the same hospital. From time to time it also helps purchase medical and other supplies and arranges shipment to Malawi.

The health needs of children in Malawi continue to be a pressing issue. Children aged under 18 years of age represent roughly half of the total population yet specialist paediatric health provision in Malawi is still developing. The under-5 mortality rate has improved dramatically over the past 25 years, but is still several times more than the equivalent UK figure. More than half of these deaths are due to preventable disease and many are associated with malnutrition. Malaria, malnutrition and HIV are common in Malawian mothers and contribute to a high proportion of infants weighing less than 2.5kg at birth. Simple interventions have been shown to have major benefits in health outcomes and relatively modest contributions (by Western standards) from outside Malawi can make tangible differences to outcomes for sick children in Malawi.

Grants from FOSCiM to FOSC are of particular help in allowing the Children's Department of the QECH to invest in human and physical resources, acquire equipment and supplies, and develop their services for children.

## Public Benefit

The Trustees confirm that they have had regard to the guidance contained in the Charity Commission's general guidance on public benefit when carrying out their grant making activities during the year.

## ACHIEVEMENTS AND PERFORMANCE

### In Malawi

The development of paediatrics, paediatricians and specialist paediatric staff and the development of paediatric facilities at the Queen Elizabeth Central Hospital (QECH) continued in the year.

Every step forward seems inevitably to be accompanied by new and greater challenges and currently the **three principal challenges** are:

- Managing healthcare delivery during the Covid-19 pandemic, a situation that has seen remaining personnel stretched further than ever before;
- Funding the conversion of an existing vacant ward into a much need Children's High Dependency Unit; and
- Funding an internal re-configuration of the existing Children's Accident & Emergency facility.

**Some reminders of what has been achieved:**

- 20 years ago hospital in-patient child mortality rates were 20%; today they are less than 5%.
- Infant and maternal mortality rates have reduced substantially but are still high compared to most nations.
- Malawians are studying at The University of Malawi Medical School and graduating and practising paediatrics in *their own* nation - now there are General and Specialist Malawian Paediatric Consultants and Registrars at work in Malawi.
- Malawians are studying at The Kamuzu College of Nursing and graduating and practising paediatric nursing in *their own* nation.
- Mature Malawian FOSC nurses are at various stages of 4 year BSc (Paediatrics and Child Health) degree courses at Mzuzu University following some who have already graduated.
- Various other medical personnel are being supported in their further development so as to be important parts of driving forward paediatric healthcare in Malawi.
- There are Malawian postgraduate BSc Clinical Officers and students in training.
- The neonatal intensive care and Kangaroo Care unit that was built is one of the best facilities of its type on the continent of Africa.
- In collaboration with RICE University of Texas, first prize was won in the first ever *Glaxo Smith Kline-Save the Children Global Award for Innovation in Child Healthcare*.
- The first ever Abuse Centre for women and children in Malawi was built.
- Investment has been made in in-house manufacturing of wheelchairs and other mobility devices for children with severe mobility issues.
- The creation of a paediatric surgical unit with theatres and intensive care facilities was funded by Madonna through her charity *Raising Malawi*.

## Fundraising

To be in a position to make grants or to deliver charitable benefits in Malawi, the Charity needs to raise funds. The Financial Review illustrates how, thanks to our loyal supporters, in 2020 we were able to continue our efforts in this regard.

Trustees greatly appreciate all the support the Charity receives each year – support which comes from a variety of people, organisations and places; support which ranges from goodwill and encouragement, through making and donating knitted and other goods, to the all important and essential financial donations, large and small.

Here is a selection of that support:

- Funds to ensure the continuity of healthcare delivery during the global Covid-19 pandemic. Amongst the nearly 1,000 donors, *Luitgard & Bernd Olgemoeller; Samuel Martin; Fairlawn and Stoke Bishop Primary Schools, Bristol; Arthur & Sheila Dolby; Luton Sixth Form College (Malawi Project); Vincent van de Walle; Ruth & Bob Wagner; Gail Freyne - family and friends; D J Bowen; Heather Clements; Vivace Foundation; and some others who specifically ask to remain anonymous.*
- Funds for a new High Dependency Unit for Children  
*Arthur & Sheila Dolby; and The Foundation of The Order of the Fleur de Lys.*
- Funding the continuing education of students at The Medical School through a state of the art online alternative.  
*Dr Neil Kennedy, Queen's University, Belfast and Dr Emma Thomson, QECH, Malawi; and The University of Sussex and Ocasta Studios Limited.*
- Funding for drugs. *The Mai Aisha Trust and the Kassam family of Malawi.*
- Funding the education and development of Malawian paediatric staff.  
*Richard & Maureen Lambert*
- Funding for the manufacture of bespoke wheelchairs for children and home chairs for very young children, all immeasurably improving the quality of life for the young recipients and their families.  
*All the many generous people who commission chairs as presents for Christmas and the like; The Kitchen Table Charities Trust; and The Roger & Douglas Turner Charitable Trust.*
- Funding for the Kangaroo Care Unit Mother's Food and Ward Programmes.  
*Michael and Henny Billett of New York; The Moxon Family of England; The Malawi Breast Feeding Initiative; and Joseph Cohen.*
- Donations of Medical consumables and supplies. *Dolby Vivisol.*
- Fundraising and items made and items sold through various activities. *Alexis Cowie.*
- Our '*army of knitters and sewers*' from all over the UK who continue to amaze with the quality and quantity of baby clothes and bed clothes they produce.
- *Adrian Bytom of ELC Contractors Limited* for transport of donated goods to the Malawi bound sea container;
- *Neil Andrews* who carried out the Independent Examination of these accounts.

## Grantmaking

In 2020 the Charity made grants for the benefit of sick children in Malawi totalling £ 113,596 (2019: 115,131).

The Trustees are very grateful to all those who have helped financially and in other ways during the year, and particularly in response to the Covid-19 Appeal.

In addition to those mentioned above, the Trustees wish to acknowledge with thanks **Jane Haxby (Partner)** and **Linda Sylvester, both of Squire Patton Boggs (UK) LLP, the latter particularly in relation to The Thousandth Man – Richard Burns Charitable Trust**, from which firm and personnel the Charity has continued to receive professional, donor, corporate and personal support, all of which are greatly appreciated.

## LOOKING FORWARD

The Trustees will continue to do their best to support the work of healthcare professionals and others in Malawi whose objectives are in line with FOSCiM.

The three principal challenges referred to above will be a significant part of the Trustees focus for the year ahead.

The Charity's costs will continue to be kept to an absolute minimum. For 2020, 99.2p of every £1 raised and spent by FOSCiM delivered charitable benefit in Malawi (2019 - 99.6p). Overhead costs were mostly confined to unavoidable charges, such as payment processing and online donation fees. The more the Charity is able to raise the greater the amount that will directly benefit sick children in Malawi.

### Covid-19

The whole world has been responding to the unprecedented impact of Covid-19 and Malawi has not been spared. We were overwhelmed and humbled by the response to our Covid-19 Emergency Appeal for PPE and other essentials; thank you again to all those who supported the appeal. With the threat of Covid-19 many NGOs and other bodies repatriated their staff some of which impacted our continuing work. Also, it was with heavy hearts that we had to release some loyal ward staff due to their vulnerability to the virus. Human resources are limited at the best of times so these losses made the challenge of confronting the pandemic all the more onerous. It is impossible to exaggerate the efforts of the team remaining in Malawi in these exceptional circumstances.

Education is a vital component of achieving our objectives and it is thanks to Dr Neil Kennedy (Queens University, Belfast) and in Malawi, Dr Emma Thomson, that Malawian medical and clinical officer students were the first students outside of the UK to use 'CAPSULE', a medical quiz-based remote learning resource application under license from The University of Sussex and Ocasta Studios Limited. 'CAPSULE' is being used extensively in the UK during the COVID-19 crisis.

Following suspension because of Covid-19, the project to build a High Dependency Unit for Children was reactivated towards the end of the year and is on target for completion by the end of March 2021.

## FINANCIAL REVIEW

**Reserves Policy**

FOSCIM does not have any endowed funds, so all of its capital and income is available to be spent on charitable activities. It is the policy of Trustees to retain only the minimum reserves necessary to cover known and anticipated costs and to spend the remaining available resources to benefit the children of Malawi. Where donations have been received that are designated for a particular purpose (for example the purchase of equipment) they may be retained whilst suitable equipment is identified and sufficient additional funds have been raised.

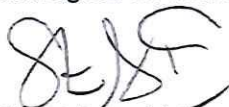
**Statement of Financial Activities**

	2020 Unrestricted Funds £	2020 Total Funds £	2019 Total Funds £
<b>Income</b>			
- Donations	54,782	54,782	92,839
- Grants	31,667	31,667	20,269
- Fundraising by supporters	5,788	5,788	21,179
- Covid-19 Appeal	137,986	137,986	-
<b>Total Income</b>	<u>230,223</u>	<u>230,223</u>	<u>134,277</u>
<b>Expenditure</b>			
- Online Payment Fees	532	532	376
- Telephone Costs	60	60	60
- Marketing Costs	338	338	-
- Governance	-	-	42
Expenditure on charitable activities			
- Covid-19 Grants	81,655	81,655	-
- Other Grants	6,065	6,065	85,790
- Orthopaedic Centre	21,891	21,891	28,311
- Education	3,000	3,000	-
- Equipment Purchases	850	850	(413)
- Miscellaneous	135	135	70
<b>Total Expenditure</b>	<u>114,526</u>	<u>114,526</u>	<u>114,236</u>
<b>Net income/(expenditure)</b>	<u>115,697</u>	<u>115,697</u>	<u>20,041</u>
Total Funds Brought Forward	53,682	53,682	33,641
<b>Total Funds Carried Forward</b>	<u>169,379</u>	<u>169,379</u>	<u>53,682</u>

## Balance Sheet

	Unrestricted Funds 2020 £	Total Funds 2020 £	Prior Year 2019 £
<b>Current Assets</b>			
- Debtors	11,835	11,835	8,170
- Cash at Bank	158,544	158,544	45,512
<b>Total Current Assets</b>	<u>170,379</u>	<u>170,379</u>	<u>53,682</u>
<b>Liabilities</b>			
- Creditors falling due within one year	1,000	1,000	0
<b>Net Current Assets</b>	<u>169,379</u>	<u>169,379</u>	<u>53,682</u>
<b>Net Assets</b>	<u>169,379</u>	<u>169,379</u>	<u>53,682</u>
<b>Funds of the Charity</b>			
- Unrestricted income funds	169,379	169,379	53,682
<b>Total Charity Funds</b>	<u>169,379</u>	<u>169,379</u>	<u>53,682</u>

Approved by the Trustees on  
and signed on their behalf by



Stuart Reynolds  
Trustee

31 March 2021

## Notes to the Financial Statements

### 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

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. There are no restricted funds, however donations totalling £167,040 held at the year end (2019: £49,823) have been designated for various purposes including FOSC Nurses, medical equipment and wheelchair production as detailed below:

Fund	2020	2019
- Covid-19 Appeal	56,453	-
- Sheila & Arthur Dolby Fund	32,500	20,000
- FOSC Nurses	21,000	-
- Equipment	17,000	16,877
- Wheelchairs etc	16,427	11,206
- HDU	15,000	-
- Other designated funds	8,660	1,740
<b>Totals</b>	<b>167,040</b>	<b>49,823</b>

#### (d) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Trust has been notified in writing 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 reliably measurable with a reasonable degree of accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally 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, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

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) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### **(g) Charitable activities**

Costs of charitable activities include grants made and directly attributable support costs.

### **2. CHARITABLE STATUS**

The Trust is recognised by HMRC as having charitable status and was registered by the Charity Commission on 24 February 2011 once the minimum income threshold for registration could be demonstrated.

### **3. TRUSTEES' REMUNERATION**

No remuneration was paid or payable in respect of the year out of the funds of the Charity either directly or indirectly to any Trustee. £540.20 was reimbursed to two Trustees in 2020 for amounts they paid on behalf of the Charity (2019 two Trustees £73.35).

### **4. EXAMINATION OF THE ACCOUNTS**

No fees were paid or are payable for the independent examination of the accounts.

### **5. EMPLOYEES**

The Charity had no full or part time employees during the year.

### **6. GRANTS AND SUPPORT COSTS**

The Charity delivers its charitable benefits by making grants to a Malawi charity, Friends of Sick Children (FOSC), which has similar aims and objects to the Charity, and by direct purchase of equipment and facilities for the Children’s Department and The Orthopaedic Centre of the Queen Elizabeth Central Hospital, Blantyre, Malawi. An analysis of charitable expenditure and associated support costs in this and the previous year is as follows:

	Grants Awarded	Bank charges	Direct Purchases	Total 2020
Grants / Covid-19	86,000	145	1,575	87,720
Orthopaedic Centre	20,275	61	1,555	21,891
Equipment Purchases	0	0	850	850
Education	0	0	3,135	3,135
Support & Governance	0	532	398	930
	<b>106,275</b>	<b>738</b>	<b>7,513</b>	<b>114,526</b>

	Grants Awarded	Bank charges	Direct Purchases	Total 2019
Grants	85,669	121	0	85,790
Orthopaedic Centre	28,207	104	0	28,311
Equipment Purchases	0	0	(413)*	(413)
Education	0	0	70	70
Support & Governance	0	376	102	478
	<b>113,946</b>	<b>601</b>	<b>(311)</b>	<b>114,236</b>

*\*£960 was paid to transport 76 cartons (160 cubic feet) of donated items to Malawi in 2019 and £1,372 of previously accrued transport costs were written back as the supplier waived the charges.*

#### 7. RELATED PARTY TRANSACTIONS

The Charity made grants to FOSC, a Malawi charity of which one of the Trustees, Professor Molyneux, is also a Trustee. The other Trustees value the expertise that Professor Molyneux is able to bring to the Charity and her particular knowledge and understanding of where charitable support can make the biggest difference to sick children in Malawi.

The Charity had no transactions with any Trustee or (with the exception of FOSC) with any connected or related party of any Trustee, and no Trustee received any benefit, direct or indirect, from the Charity.

#### 8. CONTROL RELATIONSHIP

The Charity is under the control of the Trustees.

## Independent examiner's report to the trustees of Friends of Sick Children in Malawi

I report on the accounts of the Friends of Sick Children in Malawi for the year ended 31 December 2020 which are set out on pages 7 to 11.

### 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.



**AN Andrews FCA**

**15 Wentworth Road, Sutton Coldfield, West Midlands B74 2SD**

**31 March 2021**