



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
- 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:

- 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>£</b>	<b>£</b>	<b>£</b>
<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>	<b>92,252</b>	<b>92,252</b>	<b>99,165</b>
<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>	<b>207,828</b>	<b>207,828</b>	<b>113,538</b>
<b>Net income/(expenditure)</b>	<b>(115,576)</b>	<b>(115,576)</b>	<b>(14,373)</b>
Total Funds Brought Forward	155,006	155,006	169,379
<b>Total Funds Carried Forward</b>	<b>39,430</b>	<b>39,430</b>	<b>155,006</b>



## Balance Sheet

	Unrestricted Funds 2022 £	Total Funds 2022 £	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>	<b>39,430</b>	<b>39,430</b>	<b>155,006</b>
<b>Liabilities</b>			
- Creditors falling due within one year	-	-	-
<b>Net Current Assets</b>	<b>39,430</b>	<b>39,430</b>	<b>155,006</b>
<b>Net Assets</b>	<b>39,430</b>	<b>39,430</b>	<b>155,006</b>
<b>Funds of the Charity</b>			
- Unrestricted income funds	39,430	39,430	155,006
<b>Total Charity Funds</b>	<b>39,430</b>	<b>39,430</b>	<b>155,006</b>

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