

THE MADRINHA TRUST

England & Wales · Charity number 1140672

Details

Status Registered

Legal form Trust

Registered 2011-03-03

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

Contact

Address c/o RPG Accountants
The Old Parsonage
Bedford Street
Woburn
MK17 8NG

Phone 07983371975

Email sj.heany@madrinha-trust.org

Website WWW.MADRINHA-TRUST.ORG

Activities

Objects: 1. THE ADVANCEMENT OF EDUCATION AND THE RELIEF OF POVERTY BY THE PROVISION OF MICRO FINANCE, MAKING AVAILABLE FUNDS AND FINANCIAL ASSISTANCE TO EDUCATIONAL AND OTHER PROJECTS ANYWHERE IN THE WORLD, BUT PARTICULARILY IN AFRICA AND ELSEWHERE IN THE DEVELOPING WORLD WHICH AIM TO IMPROVE EDUCATION, RELIEVE POVERTY AND IMPROVE THE CONDITIONS OF LIFE FOR SOCIALLY AND ECONOMICALLY DISADVANTAGED PERSONS AND COMMUNITIES.2. SUCH OTHER PURPOSES AS ARE CHARITABLE IN ACCORDANCE WITH THE LAW OF ENGLAND AND WALES AS THE TRUSTEES MAY FROM TIME TO TIME IN THEIR ABSOLUTE DISCRETION DECIDE.

Activities: The objectives of the charity is the advancement of education and the relief of poverty by the provision of funds and financial assistance to educational and other projects anywhere in the world, but with a particular focus on Africa and the developing world.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, Other Defined Groups

Geography

- Barbados
- Ghana
- Malawi
- Nepal
- Occupied Palestinian Territories
- Rwanda
- Saint Vincent
- South Africa
- Tanzania
- Tunisia
- Uganda

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£221,011	£276,644	-	-
2023-12-31	£75,723	£269,844	-	-
2022-12-31	£168,324	£374,921	-	-
2021-12-31	£297,000	£277,307	-	-
2020-12-31	£400,000	£322,196	-	-

Trustees

Name	Role	Appointed
JANIA GEOGHEGAN	Chair	
AMRIT SINGH		
Andrew Goulden Mr		2024-03-01
CASMIR CHANDA		2017-06-19
Chrissy Vassiliou		2025-05-30
ELLIE PATSALOS		2015-04-23
Ronke Kokoruwe		2024-12-02
SUE CHIN MCKEAND-HAN		2012-10-24
Sarah Constantine Haidry		2022-04-25
Vanessa Kyte		2021-05-24
Will Dear		2019-12-09

THE MADRINHA TRUST

England & Wales - Charity number 1140672

Accounts

REGISTERED CHARITY NUMBER: 1140672

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2024
for
THE MADRINHA TRUST

Cox & Co. (Accountancy) Limited
Chartered Accountants
The Granary
High Street
Turvey
Bedford
Bedfordshire
MK43 8DB

THE MADRINHA TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2024

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees of The Madrinha Trust present their annual report as Trustees together with the financial statements of the Madrinha Trust for the 1 January 2024 to 31 December 2024 as required by Charity regulations and legislation.

Structure, governance and management

a. Constitution

The Madrinha Trust is a registered charity, number 1140672, and is constituted under a Trust Deed. The trust is registered with the Charity Commission in England and Wales. There are no restrictions in the governing document on the operation of the charity or on its investment powers other than those imposed by general charity law.

b. The Trustees

The trustees who served the charity during the year were as follows: J Geoghegan (Chairman), S C McKeand-Han (Legal Advisor), A Singh, Dr C Chanda, G Dibiase, E Patsalos, S Constantine-Haidry, V Kyte, W Dear, A Goulden (Treasurer). All trustees give their time freely and no trustee remuneration was paid in the year.

c. The methods adopted for the recruitment and appointment of new trustees

The minimum number of trustees for the charity is three. Any additional trustees must be appointed by resolution of the trustees and must indicate their willingness to act as a trustee of the charity before he or she may act as such.

d. Policies adopted for the induction and training of Trustees

There is no formal procedure for the induction and training of trustees laid down in the Trust Deed. Trustees will have long standing business experience or direct experience of charitable education provision in the developing world. All trustees will be given and directed to guidance for trustees issued by the Charities Commission in order to help them understand their duties and responsibilities as a trustee of the charity.

e. The organisational structure of the charity and how decisions are made

The trust is managed by trustees. The Trust Deed stipulates that at least two meetings are held per year. During 2024, three trustee meetings were held.

The trustees have procedural powers in relation to decision making to:

- Appoint a chairman, treasurer and other honorary officers
- Delegate any of their functions to a committee, which must consist of two or more persons, the majority of which must also be trustees
- Make rules to govern the proceedings of trust meetings and committees
- Make regulations to govern the administration of the charity including the use and application of the income, property and funds, the operation of bank accounts and the commitment of funds.

The following officers are currently in place: chairman, treasurer and legal advisor who all support and advise the trustees. Decisions at trustee meetings are determined by a simple majority of the votes cast at a meeting of the trustees.

f. The major risks to which the charity is exposed and reviews and systems to mitigate risks

The trustees identify the major risks to which the charity is exposed each financial year when preparing and updating a strategic plan, particularly those related to the operations and finances of the charity. The trustees then review any major risks, which have been identified, and establish systems to mitigate those risks. The charity is satisfied that the systems are in place to mitigate their exposure to the major risks which have been so identified and reviewed.

g. Financial Risk Management Objectives and Policies

The main financial risks arising from the charity's activities are liquidity, fraud and other risks as described below.

Liquidity Risk

The charity prepares regular forecasts and reports to its members on a quarterly basis. The board of trustees approve the forecasts and signs off the year end accounts. The charity understands its cash flow requirements and its policy is to always maintain sufficient funds in a liquid form to ensure that the charity can meet its liabilities as they fall due. The charity is not reliant on grants or additional donations.

Other risks/ fraud risk

The charity is not exposed to risks involved in fundraising because its core activities are supported by donations from the founder and income from investment capital. The charity has limited its exposure to misappropriation of funds or mismanagement of its investments by contracting with Meridiem Investment Management LLP (formerly known as Veritas Investment Partners) an entity regulated by the Financial Conduct Authority (FCA). Investments are held in medium risk funds as advised by Meridiem.

The charity is potentially exposed to misappropriation of grants. It controls this by seeking receipts and verifying use of funds wherever possible, for example, by attendance reports from the school that a student has attended. Payments are also made whenever possible to pre-selected reputable local partner charities in each country to minimise the risk of fraudulent payments.

The charity relies on its investments delivering income and value growth to fund future activities. As with any investment, there is a risk that the value declines, this is mitigated through keeping a percentage of investments in short term money market funds and use of a professional investment manager, Meridiem, to manage the portfolio.

h. Relationships with other groups and charities

The charity recognises that there is much activity already in the area of improving education in the developing world. The Madrinha Trust aims to complement rather than compete with existing organisations and as stated in the charity's development plan aims to ensure that funds are not spent on any infrastructure costs of those organisations and that funds are additional to rather than a replacement of existing funds.

Up to the end of 2024 the Charity had established relationships with 13 other charitable organisations through which grants to scholar mentees are made. The relationships currently existent are:

1. Commonwealth Girls Education Fund (CGEF), based in the United Kingdom, provides sponsorship grants to girls for secondary or high school education where this otherwise might not be possible.
2. Kenya Kesho an educational charity having a huge impact on a very local, disadvantaged community in Kwale County of Southern Kenya. Kwale County came second to bottom in the national educational league tables in the latest National assessments
3. Tana River Life Foundation (TRLF) is a Charitable Trust set up by Gabriel Teo Kian Chong on 13th December 2005 in Mombasa, Kenya. Gabriel has been living and working in Tana River District, Kenya since 1995. The Foundation was set up with the objective of assisting the marginalized through education and acquisition of livelihood skills.
4. Rwanda Action operates in the remote south-west of Rwanda, in the districts of Rusizi and Nyamasheke. The aim is to support the vulnerable and disadvantaged, especially children, helping them to develop the skills and knowledge to build a better future for themselves, their families and their community.
5. TEST (The Tertiary Education Scholarship Trust) for Africa, based in Ghana, Malawi, Tanzania and Uganda. Founded by Keith Lloyd an alumnus and then Head of Linacre College, Oxford University. Keith and his wife, Marjorie, with the help of the UK government through the DFID scheme created a series of scholarships for very bright, financially needy African students to pursue university degrees in subjects which would enhance the social and economic development of their countries of origin.
6. Teach the Nation SA : Through its Fellowship scheme, Teach the Nation seeks to develop students and to help them to reach their full potential and make them ready for their future career.
7. Edu Fun, based in South Africa, is a volunteer-led non-for profit organisation working with the Diepsloot Combined School in the township of Diepsloot on the northern outskirts of Johannesburg, South Africa.
8. KHULA (formerly the David Rattray Foundation) which means to Grow or to Prosper. The David Rattray Foundation was founded originally in 2007. KHULA works closely with communities and schools in Umzinyathi District of KwaZulu Natal, South Africa in providing the resources, skills and opportunities that the pupils need to succeed in life.
9. Make A Difference Leadership Foundation (MAD Leadership Foundation), based in South Africa, shares a vision to develop academically talented scholars with leadership potential into future leaders for South Africa. Make A Difference Leadership Foundation NPC was formed in 2003 to realise this ambition to transform South Africa – one scholar at a time.
10. Saigon Children is a UK based charity working out of Vietnam enabling disadvantaged children and young adults to reach their full potential through receiving a quality education that is relevant to their needs.
11. The Hanoon Foundation for Medical Schools in Palestine (formerly FQMS) was formed in 1997 as a UK registered charity to support medical education in Palestine.
12. The Himalayan Youth Foundation (HYF) works to improve the education, health and living conditions of orphaned, semi-orphaned and disadvantaged children and young people aged 6 - 25 living in the Himalayan region.

13. EDP Trust (Ghana) is a UK-based charity founded in 2009 to provide free, quality senior secondary education in Ghana for disadvantaged youth. Its main initiative is at the Awutu-Winton Senior High School in Awutu-Bereku, the only fee-free secondary school in southern Ghana, serving about 520 students. The school improves social mobility and offers excellent teaching and facilities working with local partners to empower students, believing education is the route out of poverty and a right every child deserves.

The characteristics of our partner charities are as follows:

- Our partner charities have effective presence in the countries in which they operate, and a working knowledge of their individual educational, political and economic settings.
- We have easy access to a named individual within our partner charity who is responsible for responding to our queries, allaying any concerns and is amenable to being guided in our ethos, requirements and targets.
- Our partners are financially stable, have other sources of income and are not dependent on our funding.
- Our partners participate in our interactive sessions and celebrate the success of our scholar mentees.
- Our partner charities actively participate in recommending and recruiting suitable mentors, who are familiar with their region or country of operation.

Objectives and activities

a. A summary of the objects of the charity as set out in its governing document

The Trust deed of the charity was created on 1 February 2011 on funds settled by Michael Francis Geoghegan, the first three trustees being named as Jania Geoghegan, Maya Sanbar and Amrit Singh. The Trust deed outlines the objectives of the charity, the powers of the trustees and procedures for their appointment, rules for the proceedings of trustees and their procedural powers, requirements for records and accounts and procedures for the amalgamation and dissolution of the charity.

The objectives of the charity are the advancement of education and the relief of poverty by the provision of funds and financial assistance to educational and other projects anywhere in the world, but with a particular focus on Africa and the developing world.

Selected projects should aim to improve education, relieve poverty and improve the conditions for socially and economically disadvantaged people and communities.

b. Public benefit that is provided by the charity

Throughout the financial year the main objective of the charity continued to be to identify young people in the developing world and support them through their education as well as supporting those students currently sponsored by the charity.

The charity believes that the provision of a support structure to ensure that a young person receives an adequate education is a very important step in ensuring that a young person, their family and ultimately their community can lift themselves out of poverty.

The trustees of the charity have been directly involved in mentoring selected individuals so that they can assist them with their paths and ensure, as far as possible, that the recipients use their talents and education for the benefit of their native country.

In framing the objectives of the charity, the trustees have had regard to the general guidance issued by the Charity Commission on public benefit, including guidance on the prevention and relief of poverty for the public benefit.

c. The charity's aims including the changes or differences it seeks to make through its activities

The charity's vision is to develop future leaders of the developing world. This will be achieved by providing educational funding for disadvantaged young people with leadership ability and providing individually tailored support for their development, encouraging an open mentoring relationship to boost their confidence and creating an avenue for exploring the opportunities open to them.

The charity is committed to providing access to education for the young people in its programme by paying tertiary education fees. In addition, the charity will provide ancillary services to the scholar mentees such as phones, laptops, books, academic wear and travel and subsistence allowances to bridge the gap between school and university and facilitate work experience in any gap year periods.

To maximise the benefit of any education that it provides, the charity believes that mentoring and guidance is an important part of the education process. The charity provides UK mentors to all the scholarship scholar mentees, offering long term support, guidance and encouragement to enable scholar mentees to pursue their personal goals and ambitions.

The charity has a wide discretion in its powers and can help the education process in several ways. This could also include assisting and funding research to create an economic plan for a country, provide funds for the education of potential leaders, as well as helping build the educational structure in third world countries.

d. An explanation of the charity's main objectives for the year

During 2024 the objective of the charity remained to expand its base of mentors and to develop and strengthen links with sponsoring partners with the aim of increasing the number of students receiving educational support.

The charity has also actively continued to strengthen the administration, mentoring offering and marketing of the charity.

e. An explanation of the charity's strategies for achieving its stated objectives

The Madrinha Trust Development Plan outlines the charity's strategies for achieving its stated objectives. In summary these are:

1. Find suitable beneficiaries

Candidates are selected by our local partner charities and are responsible for the authenticity and validation of all candidates and their supporting paperwork. The potential new scholars are then interviewed by Madrinha Trust trustees, via video link, who assess their suitability for scholarship selection and the mentorship programme. The final list of successful candidates is then formally approved and signed off by the trustees at a trustee meeting.

In 2024 the charity provided scholarships for 57 scholars whose educational expenditure has been approved.

The Scholar mentees of the Trust comprise individuals who display the following:

- are high achievers who very often have no positive role models within their local communities.
- are from disadvantaged backgrounds and often the first within their families to aspire to higher education and unlikely to further their education without trust support.
- have the potential to become leaders in various fields and within their communities. Our mentors continue to guide them to recognise this potential and fulfil it.
- have strong commitments to give back and 'pay forward' to their communities and to contribute to making the wider world better for others. Accepting a mentored funding agreement which incorporates a strong personal statement of 'give-back commitment' is essential to the commencement and continuation of our relationship.
- are able and willing to communicate their needs, goals (short, medium and long) and their challenges to their mentors. Their mentors will keep working with them to find suitable solutions.

2. Mentor the beneficiaries

Before the approval of any financial support the scholar mentees have to agree to participation in the mentoring process. Each of the approved scholar mentees is allocated a mentor and the communication and support process has started.

To ensure that the scholar mentees are paired with a mentor from whom they can benefit and to ensure the ongoing quality of the mentoring process, the charity maintains good communication via WhatsApp and holds regular meet ups.

The overall objective remains to ensure that mentors are paired with suitable scholar mentees and to coach the skills required to be a successful mentor, the records that need to be kept of communications, guidelines for scholar mentees, evaluation techniques and how to report success.

Madrinha places great value on the role of the mentor being performed to as high a standard as possible to ensure that the process is carried out for the maximum benefit of Scholar mentees. Therefore, a mentoring handbook has been published and is issued to all mentors. The mentoring handbook contains the Madrinha Trust's core values, the roles and responsibilities of mentors, rights and responsibilities of scholar mentees, steps in the mentoring process, record keeping requirements, the requirement for a filter in the mentoring process, tips on letter writing and developing relationships as well as guidance in the case of problems.

The charity has 100 mentors who regularly communicate with the charity via WhatsApp to stay in regular contact with Madrinha and the Madrinha scholar mentees.

- Our mentors are professionals in various fields who understand the value of their gift of time to support a scholar mentee, they are all volunteers.
- They have an affinity for either the scholar mentee's country, subject of study or aspirations; very often all three.
- Our mentors are empathetic and have a good understanding of the scholar mentees' circumstances, environment, and educational system.
- Our mentors attend interactive sessions and actively strive to understand and mentor in line with the Trust's ethos.
- Our mentors often have language skills that make communicating with the scholar mentees both easier and more enjoyable for the scholar mentees.

3. **Complete its mission**

The charity supports both existing and recently graduated students through both their time as a scholar mentee and afterwards:

- Multiple communication channels have been put in place including WhatsApp, phone and e-mail for both scholar mentees and for mentors.
- Madrinha has set up a buddy mentorship programme made up of local alumni who can offer in region peer to peer support to scholar mentees.
- Madrinha holds regular workshops for all students focusing on a well-constructed career skills programme.
- Madrinha has created an active alumni association Madrinha Trust Alumni Committee (MTAC) for its graduates who have completed the formal period of education and mentoring.
- Madrinha will continue to take on new beneficiaries but only where it has the funds available to finance each scholar mentee's educational programme to completion.

4. **Marketing the charity**

The main marketing activities of the charity are:

- Promotion via its website: www.madrinha-trust.org
- Maintenance of a LinkedIn page with connections to scholar mentees, mentors and "on the ground co-ordinators".
- Production of a regular Madrinha trust newsletter issued to Scholar mentees, Mentors and supporters of the charity.
- Preparation of an annual report detailing the work of the charity during the year.

Achievements and performance

a. Charitable activities during the year

The charity funded 57 scholar mentees during 2024 of whom 51% are female and 49% are male. They are based in 9 developing countries. Payments to scholar mentees totalled £228.3K in the year to 31/12/24 (£184K in 2023) and the trustees intend to make payments to existing scholar mentees of £271.5K over the years from 2025 to 2028.

The charity has now provided a total of £2.41m in educational fees and support since inception.

b. Fundraising activities

During the course of the year the charity was funded by an additional donation from the settlor, Mr M F Geoghegan, together with the original expendable endowment of a gift of shares given by the settlor and related investment revenues. No additional fundraising activities were carried out during 2024.

c. Investment performance achieved against investment objectives set

The trustees have adopted a statement of investment principles which are described in the section of the trustees' report relating to investment policies and objectives.

The market investments are managed by Meridiem Investment Management (formerly known as Veritas Investment Partners). The charity Treasurer and a second trustee hold a formal annual meeting with Meridiem Investment Management LLP to review the investment portfolio and carry out a suitability review. Monthly valuation reports are supplied by Meridiem and ad hoc meetings are arranged as and when necessary.

Financial review

a. Policies on reserves

At the end of December 2024, the Charity held £322.5K (2023 £334.5k) of net assets after allowing for future commitments for existing scholar mentees.

Endowment fund reserves are only used with the agreement of the Founder and Trustees.

b. Principal funding sources and how expenditure in the year under review has supported the key objectives of the charity

The charity funded expenditure in 2024, as permitted in its trust deed, primarily by drawing down cash from the investment portfolio managed by Meridiem Investment Management.

The main expenditure of the charity in 2024 continued to be the funding of scholar mentees education in developing countries in accordance with the charity's key objectives.

c. The investment policy and objectives, including the extent (if any) to which social, environmental or ethical considerations are taken into account

1. Background

The Charity is an unincorporated charity, given initial funding in the form of £1.9m in shares donated by Mr M F Geoghegan.

The majority of these shares were immediately invested in a medium risk investment fund as advised by Meridiem Investment Management LLP (formerly known as Veritas).

Meridiem Investment Management issue a monthly portfolio valuation and in addition the Charity Treasurer and Chairman hold meetings with the fund managers to discuss and review the charity's portfolio. The fund continued to generate above inflation returns in 2024.

During the course of the year the value of the funds under management generated realised gains of £79.9k, and unrealised revaluation gains of £79.1k. After withdrawals of £386K the funds under management excluding cash decreased slightly from £1.60m to £1.52m. The performance is analysed in the table below.

Investments	2024
	£000s
Brought forward	1,604
Purchases	142
Sales	(386)
Realised gains	80
Net unrealised gains	79
Carried forward	1,518

2. Investment Objectives

In order to guide the investment strategy, the board of trustees has adopted the following objectives with respect to investments:

- The day-to-day management of investments is undertaken by professional investment managers on a discretionary basis.
- The trust wishes to maximise the returns on all its investments, commensurate with its defined level of risk, whilst adhering to the general principles of trust law for charitable investment portfolios.

At 31 December 2024, approximately 68% of the portfolio was held in equities and 32% in fixed interest securities and cash.

3. Risk

The assets of the charity will be exposed to various financial risks. The board has considered the following risks when agreeing their strategy:

- The risk that investments will not deliver the increases in real capital or income values expected.
- The risk that the investment managers will not achieve the returns projected.

4. Investment Strategy

The strategy adopted is that:

- Investments are held to create real returns over the investment horizon of five years plus through both dividend and interest income and capital growth. The Development Plan targets a real return of 2%.
- The trustees are willing to accept a medium risk approach in the achievement of their objectives.
- The long-term indicative guideline asset allocation for the main fund will be 65% equities and 35% fixed income or cash equivalents within ranges of 50-80% equities and 20-50% fixed income or cash equivalent.
- Short term treasury needs (ie commitments due within next 12 – 18 months) are held in cash and money market funds when possible.

5. Ethical Position

The charity has issued no specific ethical guidelines to Meridiem Investment Management LLP.

6. Day to day management

The trustees have appointed Meridiem Investment Management LLP as the investment manager to manage the trust's investment portfolio. The investment manager exercises its investment powers to achieve the trust's objectives with the appropriate level of diversification as directed in section 3.12 of the Charitable Trust deed.

The charity Treasurer and a second trustee monitor the performance of Meridiem and assess the performance annually in a meeting with Meridiem Investment Management as well as ad hoc meetings should the circumstances necessitate.

Note: Meridiem Investment Management changed its trading name to Navera Investment Management in June 2025

d. Availability and adequacy of assets of each of the funds


The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

e. Transactions and Financial position


The Statement of Financial Activities shows net outgoing resources for the year of £12.0K (2023 net outgoing resources £63.9k).

The total reserves at the period end stand at 322.5k (2023 £334.5k).

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
J Geoghegan
Founder & Trustee


.....
E Patsalos
Trustee


.....
A Goulden
Trustee & Treasurer

Date: 20th October 2025

Independent Examiner's Report to the Trustees of
The Madrinha Trust

Independent examiner's report to the trustees of The Madrinha Trust

I report to the charity trustees on my examination of the accounts of The Madrinha Trust (the Trust) for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

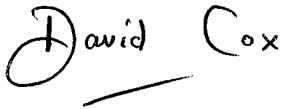
I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



David A. Cox BA FCCA FCA
The Institute of Chartered Accountants in England and Wales

Cox & Co. (Accountancy) Limited
Chartered Accountants
The Granary
High Street
Turvey
Bedford
Bedfordshire
MK43 8DB

Date:20/10/2025.....

THE MADRINHA TRUST

**Statement of Financial Activities
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted funds £	Endowment fund £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		138,200	-	138,200	1,000
Investment income	2	<u>2,882</u>	<u>11,885</u>	<u>14,767</u>	<u>7,952</u>
Total		<u>141,082</u>	<u>11,885</u>	<u>152,967</u>	<u>8,952</u>
EXPENDITURE ON					
Raising funds	3	-	2,076	2,076	2,292
Charitable activities					
Grant Funding of activities		228,331	-	228,331	184,026
Other		<u>48,313</u>	<u>45,351</u>	<u>93,664</u>	<u>85,818</u>
Total		<u>276,644</u>	<u>47,427</u>	<u>324,071</u>	<u>272,136</u>
Net gains on investments		<u>42,759</u>	<u>116,342</u>	<u>159,101</u>	<u>199,263</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	10	(92,803) <u>(1,189)</u>	80,800 <u>1,189</u>	(12,003) <u>-</u>	(63,921) <u>-</u>
Net movement in funds		(93,992)	81,989	(12,003)	(63,921)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>197,847</u>	<u>136,680</u>	<u>334,527</u>	<u>398,448</u>
TOTAL FUNDS CARRIED FORWARD		<u>103,855</u>	<u>218,669</u>	<u>322,524</u>	<u>334,527</u>

The notes form part of these financial statements

THE MADRINHA TRUST

Balance Sheet
31 DECEMBER 2024

	Notes	Unrestricted funds £	Endowment fund £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Investments	6	355,904	1,162,551	1,518,455	1,603,731
CURRENT ASSETS					
Debtors	7	263	-	263	263
Cash at bank		<u>26,581</u>	<u>8,498</u>	<u>35,079</u>	<u>36,517</u>
		26,844	8,498	35,342	36,780
CREDITORS					
Amounts falling due within one year	8	(202,643)	-	(202,643)	(246,719)
NET CURRENT ASSETS		<u>(175,799)</u>	<u>8,498</u>	<u>(167,301)</u>	<u>(209,939)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		180,105	1,171,049	1,351,154	1,393,792
CREDITORS					
Amounts falling due after more than one year	9	(76,250)	(952,380)	(1,028,630)	(1,059,265)
NET ASSETS		<u>103,855</u>	<u>218,669</u>	<u>322,524</u>	<u>334,527</u>
FUNDS	10				
Unrestricted funds				103,855	197,847
Endowment funds				<u>218,669</u>	<u>136,680</u>
TOTAL FUNDS				<u>322,524</u>	<u>334,527</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20th October 2025 and were signed on its behalf by:



.....
A Goulden - Trustee

The notes form part of these financial statements

THE MADRINHA TRUST

**Notes to the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Expenditure

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 a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end, date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. INVESTMENT INCOME

	2024	2023
	£	£
Other fixed asset invest - FII	12,055	7,633
Interest received	<u>2,712</u>	<u>319</u>
	<u>14,767</u>	<u>7,952</u>

THE MADRINHA TRUST

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

3. RAISING FUNDS

Investment management costs

	2024	2023
Portfolio management	£	£
	<u>2,076</u>	<u>2,292</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – for the year ended 31 December 2023

	Unrestricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,000	-	1,000
Investment income	<u>7,952</u>	<u>-</u>	<u>7,952</u>
Total	<u>8,952</u>	<u>-</u>	<u>8,952</u>
EXPENDITURE ON			
Raising funds	-	2,292	2,292
Charitable activities			
Grant Funding of activities	184,026	-	184,026
Other	<u>85,818</u>	<u>-</u>	<u>85,818</u>
Total	<u>269,844</u>	<u>2,292</u>	<u>272,136</u>
Net gains on investments	<u>78,228</u>	<u>121,035</u>	<u>199,263</u>
NET INCOME/(EXPENDITURE)	(182,664)	118,743	(63,921)
Transfers between funds	<u>297,791</u>	<u>(297,791)</u>	<u>-</u>
Net movement in funds	115,127	(179,048)	(63,921)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>82,720</u>	<u>315,728</u>	<u>398,448</u>
TOTAL FUNDS CARRIED FORWARD	<u>197,847</u>	<u>136,680</u>	<u>334,527</u>

THE MADRINHA TRUST

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

6. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2024	1,603,731
Additions	141,500
Disposals	(385,877)
Net gains/revaluations	<u>159,101</u>
At 31 December 2024	<u>1,518,455</u>
NET BOOK VALUE	
At 31 December 2024	<u>1,518,455</u>
At 31 December 2023	<u>1,603,731</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2024 is represented by:

	Listed investments £
Unrealised gains	447,881
Cost	<u>1,070,574</u>
	<u>1,518,455</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Other debtors and prepayments	<u>263</u>	<u>263</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	5,830	4,306
Other creditors	<u>196,813</u>	<u>242,413</u>
	<u>202,643</u>	<u>246,719</u>

THE MADRINHA TRUST

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024 £	2023 £
Loan from Benefactor	952,380	907,029
Other creditors	76,250	152,236
	<u>1,028,630</u>	<u>1,059,265</u>

10. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
General fund	197,847	(92,803)	(1,189)	103,855
Endowment funds				
Endowment Funds	136,680	80,800	1,189	218,669
TOTAL FUNDS	<u>334,527</u>	<u>(12,003)</u>	<u>-</u>	<u>322,524</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	141,082	(276,644)	42,759	(92,803)
Endowment funds				
Endowment Funds	11,885	(47,427)	116,342	80,800
TOTAL FUNDS	<u>152,967</u>	<u>(324,071)</u>	<u>159,101</u>	<u>(12,003)</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	82,720	(182,664)	297,791	197,847
Endowment funds				
Endowment Funds	315,728	118,743	(297,791)	136,680
TOTAL FUNDS	<u>398,448</u>	<u>(63,921)</u>	<u>-</u>	<u>334,527</u>

THE MADRINHA TRUST

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	8,952	(269,844)	78,228	(182,664)
Endowment funds				
Endowment Funds	-	(2,292)	121,035	118,743
TOTAL FUNDS	<u>8,952</u>	<u>(272,136)</u>	<u>199,263</u>	<u>(63,921)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
General fund	82,720	(275,467)	296,602	103,855
Endowment funds				
Endowment Funds	315,728	199,543	(296,602)	218,669
TOTAL FUNDS	<u>398,448</u>	<u>(75,924)</u>	<u>-</u>	<u>322,524</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	150,034	(546,488)	120,987	(275,467)
Endowment funds				
Endowment Funds	11,885	(49,719)	237,377	199,543
TOTAL FUNDS	<u>161,919</u>	<u>(596,207)</u>	<u>358,364</u>	<u>(75,924)</u>

THE MADRINHA TRUST

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2024.

THE MADRINHA TRUST

Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	138,200	1,000
Investment income		
Other fixed asset invest - FII	12,055	7,633
Interest received	<u>2,712</u>	<u>319</u>
	<u>14,767</u>	<u>7,952</u>
Total incoming resources	152,967	8,952
EXPENDITURE		
Investment management costs		
Portfolio management	2,076	2,292
Charitable activities		
Internship support funding	2,368	-
Fieldwork funding	2,281	-
Graduation ceremony costs	3,233	-
Laptop contributions	2,307	-
Grant giving and mentee support	<u>218,142</u>	<u>184,026</u>
	228,331	184,026
Other		
Wages	23,625	23,625
Social security	-	(678)
Pensions	522	522
Bank and other charges	1,567	1,783
Travel and subsistence	595	90
IT and software costs	1,830	1,897
Admin and office costs	6,257	6,072
Gifts and entertainment	1,120	1,741
Founder loan discount	45,352	40,190
Advertising & marketing costs	<u>217</u>	<u>2,156</u>
	81,085	77,398
Support costs		
Governance costs		
Governance costs	12,669	8,420
Legal fees	<u>(90)</u>	<u>-</u>
	<u>12,579</u>	<u>8,420</u>
Total resources expended	<u>324,071</u>	<u>272,136</u>
Net expenditure before gains and losses	(171,104)	(263,184)

This page does not form part of the statutory financial statements

THE MADRINHA TRUST

Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	£	£
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>79,929</u>	<u>66,771</u>
Net expenditure	<u>(91,175)</u>	<u>(196,413)</u>

This page does not form part of the statutory financial statements

THE MADRINHA TRUST

England & Wales - Charity number 1140672

Accounts

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2023
for
THE MADRINHA TRUST

Cox & Co. (Accountancy) Limited
Chartered Accountants
The Granary
High Street
Turvey
Bedford
Bedfordshire
MK43 8DB

THE MADRINHA TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2023

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THE MADRINHA TRUST

Report of the Trustees
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1140672

Principal address

C/o RPG Accountants
The Old Parsonage
Bedford Street
Woburn
Bedfordshire
MK17 8NG

Independent Examiner

David A. Cox BA FCCA FCA
Cox & Co. (Accountancy) Limited
Chartered Accountants
The Granary
High Street
Turvey
Bedford
Bedfordshire
MK43 8DB

THE MADRINHA TRUST

Report of the Trustees (Continued) **FOR THE YEAR ENDED 31 DECEMBER 2023**

Structure, governance and management

a. Constitution

The Madrinha Trust is a registered charity, number 1140672, and is constituted under a Trust deed. The trust is registered with the Charity Commission in England and Wales. There are no restrictions in the governing document on the operation of the charity or on its investment powers other than those imposed by general charity law.

b. The Trustees

The trustees who served the charity during the year were as follows: J Geoghegan (Chairman), S C McKeand-Han (Legal Advisor), C Pocock, A Singh, Dr C Chanda, E Patsalos, G Dibiase, S Constantine-Haidry, V Kyte, W Dear.

All trustees give their time freely and no trustee remuneration was paid in the year.

c. The methods adopted for the recruitment and appointment of new trustees

The minimum number of trustees for the charity is three. Any additional trustees must be appointed by resolution of the trustees and must indicate their willingness to act as a trustee of the charity before he or she may act as such.

d. Policies adopted for the induction and training of Trustees

There is no formal procedure for the induction and training of trustees laid down in the Trust deed. Trustees will have long standing business experience or direct experience of charitable education provision in the developing world. All trustees will be given and directed to guidance for trustees issued by the Charities Commission in order to help them understand their duties and responsibilities as a trustee of the charity.

e. The organisational structure of the charity and how decisions are made

The trust is managed by trustees. The trust deed stipulates that at least two meetings are held per year. During 2023, three trustee meetings were held.

The trustees have procedural powers in relation to decision making to:

- Appoint a chairman, treasurer and other honorary officers
- Delegate any of their functions to a committee, which must consist of two or more persons, the majority of which must also be trustees
- Make rules to govern the proceedings of trust meetings and committees
- Make regulations to govern the administration of the charity including the use and application of the income, property and funds, the operation of bank accounts and the commitment of funds.

The following officers are currently in place: chairman, treasurer and legal advisor who all support and advise the trustees. Decisions at trustee meetings are determined by a simple majority of the votes cast at a meeting of the trustees.

f. The major risks to which the charity is exposed and reviews and systems to mitigate risks

The trustees identify the major risks to which the charity is exposed each financial year when preparing and updating a strategic plan, in particular those related to the operations and finances of the charity. The trustees then review any major risks, which have been identified, and establish systems to mitigate those risks. The charity is satisfied that the systems are in place to mitigate their exposure to the major risks which have been so identified and reviewed.

g. Financial Risk Management Objectives and Policies

The main financial risks arising from the charity's activities are liquidity, fraud and other risks as described below.

THE MADRINHA TRUST

Report of the Trustees (Continued) FOR THE YEAR ENDED 31 DECEMBER 2023

Liquidity Risk

The charity prepares regular forecasts and reports to its members on a quarterly basis. The board of trustees approve the forecasts and signs off the year end accounts. The charity understands its cash flow requirements and its policy is to maintain sufficient funds in a liquid form at all times to ensure that the charity can meet its liabilities as they fall due. The charity is not reliant on grants or additional donations.

Other risks/ fraud risk

The charity is not exposed to risks involved in fundraising because its activities are supported by donations from the founder and income from investment capital. The charity has limited its exposure to misappropriation of funds or mismanagement of its investments by contracting with Veritas Investment Management LLP (now renamed Meridiam Investment Management and SEI Investments (Europe) Ltd) an entity regulated by the Financial Conduct Authority (FCA). Investments are held in lower risk funds as advised by Meridiam. The charity is potentially exposed to misappropriation of grants. It controls this by seeking receipts and verifying use of funds wherever possible, for example, by attendance reports from the school that a student has attended. The charity relies on its investments delivering income and value growth to fund future activities. As with any investment, there is a risk that the value declines, this is mitigated through keeping a percentage of investments in short term money market funds and use of a professional investment manager, Veritas Investment Management LLP (now Meridiam), to manage the portfolio. Payments are made whenever possible to pre-selected reputable local partner charities in each country to minimise the risk of fraudulent payments.

h. Relationships with other groups, charities and individuals

The charity recognises that there is much activity already in the area of improving education in the developing world. The Madrinha Trust aims to complement rather than compete with existing organisations and as stated in the charity's development plan aims to ensure that funds are not spent on any infrastructure costs of those organisations and that funds are additional to rather than a replacement of existing funds.

Up to the end of 2023 the Charity had established relationships with 12 other charitable organisations through which grants to Mentees are made. The relationships currently existent are:

1. Commonwealth Girls Education Fund (CGEF), based in the United Kingdom, provides sponsorship grants to girls for secondary or high school education where this otherwise might not be possible.
2. Kenya Kesho an educational charity having a huge impact on a very local, disadvantaged community in Kwale County of Southern Kenya. Kwale County came second to bottom in the national educational league tables in the latest National assessments
3. Tana River Life Foundation (TRLF) is a Charitable Trust set up by Gabriel Teo Kian Chong on 13th December 2005 in Mombasa, Kenya. Gabriel has been living and working in Tana River District, Kenya since 1995. The Foundation was set up with the objective of assisting the marginalized through education and acquisition of livelihood skills.
4. Rwanda Aid operates in the remote south-west of Rwanda, in the districts of Rusizi and Nyamasheke. The aim is to support the vulnerable and disadvantaged, especially children, helping them to develop the skills and knowledge to build a better future for themselves, their families and their community.
5. TEST (The Tertiary Education Scholarship Trust) for Africa, based in Ghana, Malawi, Tanzania and Uganda. Founded by Keith Lloyd an alumnus and then Head of Linacre College, Oxford University. Keith and his wife, Marjorie, with the help of the UK government through the DFID scheme created a series of scholarships for very bright, financially needy African students to pursue university degrees in subjects which would enhance the social and economic development of their countries of origin.
6. Teach the Nation SA : Through its Fellowship scheme, Teach the Nation seeks to develop students and to help them to reach their full potential and make them ready for their future career.

7. Edu Fun, based in South Africa, is a volunteer-led non-for profit organisation working with the Diepsloot Combined School in the township of Diepsloot on the northern outskirts of Johannesburg, South Africa.

THE MADRINHA TRUST

Report of the Trustees (Continued) **FOR THE YEAR ENDED 31 DECEMBER 2023**

8. KHULA (formerly the David Rattray Foundation) which means to Grow or to Prosper. The David Rattray Foundation was founded originally in 2007. KHULA works closely with communities and schools in Umzinyathi District of KwaZulu Natal, South Africa in providing the resources, skills and opportunities that the pupils need to succeed in life.
9. Make A Difference Leadership Foundation (MAD Leadership Foundation), based in South Africa, shares a vision to develop academically talented scholars with leadership potential into future leaders for South Africa. Make A Difference Leadership Foundation NPC was formed in 2003 to realise this ambition to transform South Africa – one scholar at a time.
10. Saigon Children is a UK based charity working out of Vietnam enabling disadvantaged children and young adults in to reach their full potential through receiving a quality education that is relevant to their needs.
11. Al-Quds Foundation for Medical Schools in Palestine (FQMS) was formed in 1997 as a UK registered charity to support medical education in Palestine.
12. The Himalayan Youth Foundation (HYF) works to improve the education, health and living conditions of orphaned, semi-orphaned and disadvantaged children and young people aged 6 - 25 living in the Himalayan region.

The characteristics of our partner charities are as follows:

- Our partner charities have effective presence in the countries in which they operate, and a working knowledge of their individual educational, political and economic settings.
- We have easy access to a named individual within our partner charity who is responsible for responding to our queries, allaying any concerns and is amenable to being guided in our ethos, requirements and targets.
- Our partners are financially stable, have other sources of income and are not dependent on our funding.
- Our partners participate in our interactive sessions and celebrate the success of our mentees.
- Our partner charities actively participate in recommending and recruiting suitable mentors, who are familiar with their region or country of operation.

Objectives and activities

a. A summary of the objects of the charity as set out in its governing document

The Trust deed of the charity was created on 1 February 2011 on funds settled by Michael Francis Geoghegan, the first three trustees being named as Jania Geoghegan, Maya Sanbar and Amrit Singh. The Trust deed outlines the objectives of the charity, the powers of the trustees and procedures for their appointment, rules for the proceedings of trustees and their procedural powers, requirements for records and accounts and procedures for the amalgamation and dissolution of the charity.

The objectives of the charity are the advancement of education and the relief of poverty by the provision of funds and financial assistance to educational and other projects anywhere in the world, but with a particular focus on Africa and the developing world.

Selected projects should aim to improve education, relieve poverty and improve the conditions for socially and economically disadvantaged people and communities.

THE MADRINHA TRUST

Report of the Trustees (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

b. Public benefit that is provided by the charity

Throughout the financial year the main objective of the charity continued to be to identify young people in the developing world and support them through their education as well as supporting those students currently sponsored by the charity.

The charity believes that the provision of a support structure to ensure that a young person receives an adequate education is a very important step in ensuring that a young person, their family and ultimately their community can lift themselves out of poverty.

The trustees of the charity have been directly involved in mentoring selected individuals so that they can assist them with their paths and ensure, as far as possible, that the recipients use their talents and education for the benefit of their native country.

In framing the objectives of the charity, the trustees have had regard to the general guidance issued by the Charity Commission on public benefit, including guidance on the prevention and relief of poverty for the public benefit.

c. The charity's aims including the changes or differences it seeks to make through its activities

The charity's vision is to develop future leaders of the developing world. This will be achieved by providing educational funding for disadvantaged young people with leadership ability and providing individually tailored support for their development, encouraging an open mentoring relationship to boost their confidence and creating an avenue for exploring the opportunities open to them.

The charity is committed to providing access to education for the young people in its programme by paying school and tertiary education fees. In addition, the charity will provide ancillary services to the Mentees such as phones, laptops, books, uniforms and travel and subsistence allowances to bridge the gap between school and university and facilitate work experience in any gap year periods.

In order to maximise the benefit of any education that it provides, the charity believes that mentoring and guidance is an important part of the education process. The charity provides UK mentors to all the scholarship mentees, offering long term support, guidance and encouragement to enable mentees to pursue their personal goals and ambitions.

The charity has a wide discretion in its powers and can help the education process in several ways. This could also include assisting and funding research to create an economic plan for a country, provide funds for the education of potential leaders, as well as helping build the educational structure in third world countries.

d. An explanation of the charity's main objectives for the year

During 2023 the objective of the charity remained to expand its base of mentors and to develop and strengthen links with sponsoring partners with the aim of increasing the number of students receiving educational support.

The charity has also actively looked to strengthen the administration, mentoring offering and marketing of the charity.

e. An explanation of the charity's strategies for achieving its stated objectives

The Madrinha Trust Development Plan outlines the charity's strategies for achieving its stated objectives. In summary these are:

1. Find suitable beneficiaries

Candidates are selected by our local partner charities and then interviewed by Madrinha Trust trustees who assess their suitability for scholarship selection and the mentorship programme. The final list of successful candidates is then formally approved and signed off by the trustees at a trustee meeting.

THE MADRINHA TRUST
Report of the Trustees (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

In 2023 the charity provided scholarships for 57 scholars whose educational expenditure has been approved.

The Mentees of the Trust comprise individuals who display the following:

- are High Achievers who very often have no positive role models within their local communities.
- are from disadvantaged backgrounds and often the first within their families to aspire to higher education. Without the Trust support, they will be unlikely to further their education in spite of having great potential.
- have the potential to become leaders in various fields and within their communities. Our mentors continue to guide them to recognise this potential and fulfil it.
- have strong commitments to give back and 'pay forward' to their communities and to contribute to making the wider world better for others. Accepting a mentored funding agreement which incorporates a strong personal statement of 'give-back commitment' is essential to the commencement and continuation of our relationship.
- are able and willing to communicate their needs, goals (short, medium and long) and their challenges to their mentors. Their mentors will keep working with them to find suitable solutions.

2. Mentor the beneficiaries

Before the approval of any financial support the Mentees have to agree to participation in the mentoring process. Each of the approved mentees is allocated a Mentor and the communication and support process has started.

To ensure that the Mentees are paired with a Mentor from whom they can benefit and to ensure the ongoing quality of the Mentoring process, the charity holds regular Mentoring workshops and meet ups.

The overall objective remains to ensure that Mentors are paired with a suitable Mentees and to coach the skills required to be a successful Mentor, the records that need to be kept of communications, guidelines for Mentees, evaluation techniques and how to report success.

Madrinha places great value on the role of the Mentor being performed to as high a standard as possible to ensure that the process is carried out for the maximum benefit of Mentees. Therefore, a Mentoring handbook has been published and is issued to all Mentors. The Mentoring handbook contains the Madrinha Trust's core values, the roles and responsibilities of Mentors, rights and responsibilities of Mentees, steps in the mentoring process, record keeping requirements, the requirement for a filter in the mentoring process, tips on letter writing and developing relationships as well as guidance in the case of problems.

The charity has 100 Mentors who regularly communicate with the charity via WhatsApp to stay in regular contact with Madrinha and the Madrinha mentees.

- Our mentors are professionals in various fields who understand the value of their gift of time to support a mentee, they are all volunteers.
- They have an affinity for either the mentee's country, subject of study or aspirations; very often all three.
- Our mentors are empathetic and have a good understanding of the mentees' circumstances, environment, and educational system.
- Our mentors attend interactive sessions and actively strive to understand and mentor in line with the Trust's ethos.
- Our mentors often have language skills that make communicating with the mentees both easier and more enjoyable for the mentee.

THE MADRINHA TRUST

Report of the Trustees (Continued) FOR THE YEAR ENDED 31 DECEMBER 2023

3. Complete its mission

The charity supports both existing and recently graduated students through both their time as a mentee and afterwards:

- Multiple communication channels have been put in place including WhatsApp, phone and E-mail for both Mentees and for Mentors.
- Madrinha has set up a buddy mentorship programme made up of local alumni who can offer in region peer to peer support to mentees.
- Madrinha holds regular workshops for all students focusing on a well-constructed career skills programme.
- Madrinha has created an active alumni association for its "graduates" who have completed the formal period of education and mentoring.
- Madrinha will continue to take on new beneficiaries but only where it has the funds available to finance each mentee's educational programme to completion.

4. Marketing the charity

The main marketing activities of the charity are:

- Promotion via its website with Mentor profiles and videos from Mentees: www.madrinha-trust.org
- Maintenance of a LinkedIn page with connections to mentees, mentors and "on the ground co-ordinators".
- Production of a regular Madrinha trust newsletter issued to Mentees, Mentors and supporters of the charity.
- Preparation of an annual report detailing the work of the charity during the year.

Achievements and performance

a. Charitable activities during the year

The charity funded 57 mentees during 2023 of whom 45% are female and 55% male. They are based in 11 developing countries. Payments to mentees totalled £184,026 in the year to 31/12/23 and the trustees intend to make payments to existing mentees of £397,123 over the years from 2024 to 2027.

The charity has now provided a total of £2.18m in educational fees and support since inception.

b. Fundraising activities

During the course of the year the charity has continued to be funded by the original expendable endowment of a gift of shares given by Mr M F Geoghegan and related investment revenues. No additional fundraising activities were carried out during 2023.

c. Investment performance achieved against investment objectives set

The trustees have adopted a statement of investment principles which are described in the section of the trustees' report relating to investment policies and objectives.

The market investments are managed by Veritas Investment Management LLP (recently renamed Meridiem Investment Management). The charity Treasurer and a second trustee hold a formal annual meeting with Veritas Investment Management LLP to review the investment portfolio and carry out a suitability review. Monthly valuation reports are supplied by Veritas and ad hoc meetings are arranged as and when necessary.

THE MADRINHA TRUST

Report of the Trustees (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

a. Policies on reserves

At the end of December 2023, the Charity held £334,527 (2022 £398,448) of net assets after allowing for future commitments for existing mentees.

Endowment fund reserves are only used with the agreement of the Founder and Trustees.

b. Principal funding sources and how expenditure in the year under review has supported the key objectives of the charity

The charity funded expenditure in 2023, as permitted in its trust deed, primarily by drawing down cash from the investment portfolio managed by Veritas Investment Management LLP.

The main expenditure of the charity in 2023 continued to be the funding of mentees education in developing countries in accordance with the charity’s key objectives.

c. The investment policy and objectives, including the extent (if any) to which social, environmental or ethical considerations are taken into account

1. Background

The Charity is an unincorporated charity, given initial funding in the form of £1.9m in shares donated by Mr M F Geoghegan.

The majority of these shares were immediately invested in a medium risk investment fund as advised by Veritas Investment Management LLP/ Veritas actively manage the investment portfolio of the Charity.

Veritas Investment Management LLP issue a monthly portfolio valuation and in addition the Charity Treasurer and Chairman hold meetings with the fund managers to discuss and review the charity's portfolio. The fund continued to generate above inflation returns in 2023.

During the course of the year the value of the funds under management generated realised gains of £66.8k plus unrealised gains of £11.5k on unrestricted assets and £121k on restricted assets. After withdrawals of £0.44m the funds under management decreased from £1.844m to £1.604m. The performance is analysed in the table below.

	2023
	£000s
Brought forward	1,844
Purchases	-
Sales	(440)
Realised gains	67
Unrealised gains on unrestricted assets	12
Unrealised gains on restricted assets	121
Carried forward	1,604

THE MADRINHA TRUST
Report of the Trustees (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Investment Objectives

In order to guide the investment strategy, the board of trustees has adopted the following objectives with respect to investments:

- The day-to-day management of investments is undertaken by professional investment managers on a discretionary basis.
- The trust wishes to maximise the returns on all its investments, commensurate with its defined level of risk, whilst adhering to the general principles of trust law for charitable investment portfolios.

At 31 December 2023, approximately 67% of the portfolio was held in equities and 33% in fixed interest securities and cash.

3. Risk

The assets of the charity will be exposed to various financial risks. The board has considered the following risks when agreeing their strategy:

- The risk that investments will not deliver the increases in real capital or income values expected.
- The risk that the investment managers will not achieve the returns projected.

4. Investment Strategy

The strategy adopted is that:

- Investments are held to create real returns over the investment horizon of five years plus through both dividend and interest income and capital growth. The Development Plan assumes a real return of 2%.
- The trustees are willing to accept a medium risk approach in the achievement of their objectives.
- The long-term indicative guideline asset allocation for the main fund will be 60%/65% equities and 35%/40% fixed income or cash equivalents.

5. Ethical Position

The charity has issued no specific ethical guidelines to Veritas Investment Management LLP.

6. Day to day management

The trustees have appointed Veritas Investment Management LLP as the investment manager to manage the trust's investment portfolio. The investment manager exercises its investment powers to achieve the trust's objectives with the appropriate level of diversification as directed in section 3.12 of the Charitable Trust deed. The charity Treasurer and a second trustee monitor the performance of Veritas and assess the performance annually in a meeting with Veritas Investment Management LLP as well as ad hoc meetings should the circumstances necessitate.

THE MADRINHA TRUST
Report of the Trustees (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

d. Availability and adequacy of assets of each of the funds


The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

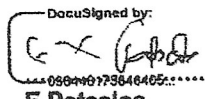
e. Transactions and Financial position

The Statement of Financial Activities shows net outgoing resources for the year of £63,921 (2022 £405,394).

The total reserves at the period end stand at £334,527 (2022 £398,448).

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signed by:

BD616E8A246849D:.....
J Geoghegan
Trustee

DocuSigned by:

058446173646405:.....
E Patsalos
Trustee

Date: 31/10/24

**Independent Examiner's Report to the Trustees of
The Madrinha Trust**

Independent examiner's report to the trustees of The Madrinha Trust
I report to the charity trustees on my examination of the accounts of The Madrinha Trust (the Trust) for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Act).

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with these records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



David A. Cox BA FCCA FCA
The Institute of Chartered Accountants in England and Wales

Cox & Co. (Accountancy) Limited
Chartered Accountants
The Granary
High Street
Turvey
Bedford
Bedfordshire
MK43 8DB

Date: 31/10/2024

THE MADRINHA TRUST

Statement of Financial Activities
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £	Endowment fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		1,000	-	1,000	14,081
Investment income	2	7,952	-	7,952	3,962
Other income		-	-	-	133,161
Total		<u>8,952</u>	<u>-</u>	<u>8,952</u>	<u>151,204</u>
EXPENDITURE ON					
Raising funds	3	-	2,292	2,292	(4,724)
Charitable activities					
Grant Funding of activities		184,026	-	184,026	337,614
Other		85,818	-	85,818	42,031
Total		<u>269,844</u>	<u>2,292</u>	<u>272,136</u>	<u>374,921</u>
Net gains/(losses) on investments		78,228	121,035	199,263	(181,677)
NET INCOME/(EXPENDITURE)		(182,664)	118,743	(63,921)	(405,394)
Transfers between funds	10	297,791	(297,791)	-	-
Net movement in funds		115,127	(179,048)	(63,921)	(405,394)
RECONCILIATION OF FUNDS					
Total funds brought forward		82,720	315,728	398,448	803,842
TOTAL FUNDS CARRIED FORWARD		<u>197,847</u>	<u>136,680</u>	<u>334,527</u>	<u>398,448</u>

The notes form part of these financial statements

THE MADRINHA TRUST

Balance Sheet
31 DECEMBER 2023

	Notes	Unrestricted funds £	Endowment fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Investments	6	560,022	1,043,709	1,603,731	1,844,469
CURRENT ASSETS					
Debtors	7	263	-	263	18,770
Cash at bank		<u>36,517</u>	<u>-</u>	<u>36,517</u>	<u>14,989</u>
		36,780	-	36,780	33,759
CREDITORS					
Amounts falling due within one year	8	<u>(246,719)</u>	<u>-</u>	<u>(246,719)</u>	<u>(294,428)</u>
NET CURRENT ASSETS					
		<u>(209,939)</u>	<u>-</u>	<u>(209,939)</u>	<u>(260,669)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		350,083	1,043,709	1,393,792	1,583,800
CREDITORS					
Amounts falling due after more than one year	9	<u>(152,236)</u>	<u>(907,029)</u>	<u>(1,059,265)</u>	<u>(1,185,352)</u>
NET ASSETS					
		<u>197,847</u>	<u>136,680</u>	<u>334,527</u>	<u>398,448</u>
FUNDS					
Unrestricted funds	10			197,847	82,720
Endowment funds				<u>136,680</u>	<u>315,728</u>
TOTAL FUNDS					
				<u>334,527</u>	<u>398,448</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:



Trustee Andrew Gauden

31/10/24

THE MADRINHA TRUST**Notes to the Financial Statements**
FOR THE YEAR ENDED 31 DECEMBER 2023**1. ACCOUNTING POLICIES****Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. INVESTMENT INCOME

	2023	2022
	£	£
Other fixed asset invest - FII	7,633	3,906
Interest received	<u>319</u>	<u>56</u>
	<u><u>7,952</u></u>	<u><u>3,962</u></u>

THE MADRINHA TRUST**Notes to the Financial Statements - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**3. RAISING FUNDS****Investment management costs**

	2023	2022
	£	£
Portfolio management	<u>2,292</u>	<u>(4,724)</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES
(FOR THE YEAR ENDED 31 DECEMBER 2022)

	Unrestricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	14,081	-	14,081
Investment income	-	3,962	3,962
Other income	<u>133,161</u>	<u>-</u>	<u>133,161</u>
Total	<u>147,242</u>	<u>3,962</u>	<u>151,204</u>
EXPENDITURE ON			
Raising funds	(3,914)	(810)	(4,724)
Charitable activities			
Grant Funding of activities	337,614	-	337,614
Other	<u>42,031</u>	<u>-</u>	<u>42,031</u>
Total	<u>375,731</u>	<u>(810)</u>	<u>374,921</u>
Net gains/(losses) on investments	<u>(150,765)</u>	<u>(30,912)</u>	<u>(181,677)</u>
NET INCOME/(EXPENDITURE)	<u>(379,254)</u>	<u>(26,140)</u>	<u>(405,394)</u>
Transfers between funds	<u>154,243</u>	<u>(154,243)</u>	<u>-</u>
Net movement in funds	<u>(225,011)</u>	<u>(180,383)</u>	<u>(405,394)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	307,731	496,111	803,842
TOTAL FUNDS CARRIED FORWARD	<u>82,720</u>	<u>315,728</u>	<u>398,448</u>

THE MADRINHA TRUST

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

6. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2023	1,844,469
Disposals	(373,230)
Revaluations	<u>132,492</u>
At 31 December 2023	<u>1,603,731</u>
NET BOOK VALUE	
At 31 December 2023	<u>1,603,731</u>
At 31 December 2022	<u>1,844,469</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2023 is represented by:

	Listed investments £
Valuation in 2022	236,136
Valuation in 2023	132,492
Cost	<u>1,235,103</u>
	<u>1,603,731</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other debtors	263	327
Prepayments and accrued income	<u>-</u>	<u>18,443</u>
	<u>263</u>	<u>18,770</u>

THE MADRINHA TRUST

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	4,306	4,253
Other creditors	<u>242,413</u>	<u>290,175</u>
	<u>246,719</u>	<u>294,428</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Other creditors	<u>1,059,265</u>	<u>1,185,352</u>

10. MOVEMENT IN FUNDS

	At 1.1.23	Net movement in funds	Transfers between funds	At 31.12.23
	£	£	£	£
Unrestricted funds				
General fund	82,720	(182,664)	297,791	197,847
Endowment funds				
Endowment Funds	315,728	118,743	(297,791)	136,680
	<u>398,448</u>	<u>(63,921)</u>	<u>-</u>	<u>334,527</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	8,952	(269,844)	78,228	(182,664)
Endowment funds				
Endowment Funds	-	(2,292)	121,035	118,743
	<u>8,952</u>	<u>(272,136)</u>	<u>199,263</u>	<u>(63,921)</u>

THE MADRINHA TRUST**Notes to the Financial Statements - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**10. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	307,731	(379,254)	154,243	82,720
Endowment funds				
Endowment Funds	496,111	(26,140)	(154,243)	315,728
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>803,842</u>	<u>(405,394)</u>	<u>-</u>	<u>398,448</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	147,242	(375,731)	(150,765)	(379,254)
Endowment funds				
Endowment Funds	3,962	810	(30,912)	(26,140)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>151,204</u>	<u>(374,921)</u>	<u>(181,677)</u>	<u>(405,394)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	307,731	(561,918)	452,034	197,847
Endowment funds				
Endowment Funds	496,111	92,603	(452,034)	136,680
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>803,842</u>	<u>(469,315)</u>	<u>-</u>	<u>334,527</u>

THE MADRINHA TRUST**Notes to the Financial Statements - continued**
FOR THE YEAR ENDED 31 DECEMBER 2023**10. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	156,194	(645,575)	(72,537)	(561,918)
Endowment funds				
Endowment Funds	3,962	(1,482)	90,123	92,603
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>160,156</u>	<u>(647,057)</u>	<u>17,586</u>	<u>(469,315)</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

THE MADRINHA TRUST
Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,000	14,081
Investment income		
Other fixed asset invest - FII	7,633	3,906
Interest received	<u>319</u>	<u>56</u>
	7,952	3,962
Other income		
Capital contribution arising from loan interest foregone	<u>-</u>	<u>133,161</u>
Total incoming resources	8,952	151,204
EXPENDITURE		
Investment management costs		
Portfolio management	2,292	(4,724)
Charitable activities		
Grant giving and mentee support	184,026	337,614
Other		
Wages	23,625	23,625
Social security	(678)	-
Pensions	522	522
Bank and other charges	1,783	1,673
Travel and subsistence	90	40
IT and software costs	1,897	969
Admin and office costs	6,072	4,646
Gifts and entertainment	1,741	2,102
Founder loan discount	40,190	-
Advertising & marketing costs	<u>2,156</u>	<u>-</u>
	77,398	33,577
Support costs		
Governance costs		
Governance costs	<u>8,420</u>	<u>8,454</u>
Total resources expended	<u>272,136</u>	<u>374,921</u>
Net expenditure before gains and losses	(263,184)	(223,717)
Realised recognised gains and losses		
Carried forward	(271,604)	(232,171)

This page does not form part of the statutory financial statements

THE MADRINHA TRUST

Detailed Statement of Financial Activities
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	£	£
Realised recognised gains and losses		
Brought forward	(271,604)	(232,171)
Realised gains/(losses) on fixed asset investments	<u>66,771</u>	<u>(181,677)</u>
Net expenditure	<u>(196,413)</u>	<u>(405,394)</u>

THE MADRINHA TRUST

England & Wales - Charity number 1140672

Accounts

Charity number: 1140672

**THE MADRINHA TRUST
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
14-16 Dowgate Hill
London
EC4R 2SU

THE MADRINHA TRUST

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THE MADRINHA TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	J Geoghegan, Chairman S C Mckeand-Han, Legal Advisor C Chanda W Dear G Dibiase V Kyte E Patsalos C V Pocock A Singh S Haidry
Charity registered number	1140672
Principal office	c/o RPG Crouch Chapman LLP 14-16 Dowgate Hill London EC4R 2SU
Principal operating office	c/o RPG Crouch Chapman LLP 14-16 Dowgate Hill London EC4R 2SU
Treasurer	Tom Morrell
Accountants	RPG Crouch Chapman LLP 14-16 Dowgate Hill London EC4R 2SU
Bankers	HSBC Church Street Weybridge Surrey KT13 8DF
Solicitors	Thomson Snell & Passmore 3 Lonsdale Gardens Tunbridge Wells TN1 1NX
Investment Advisor	Veritas Investment Management LLP 90 Long Acre London WC2E 9RA
Independent Examiner	Jeremy Tyrrell RPG Crouch Chapman LLP 14-16 Dowgate Hill London EC4R 2SU

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees of The Madrinha Trust present their annual report as Trustees together with the financial statements of the The Madrinha Trust for the 1 January 2022 to 31 December 2022 as required by Charity regulations and legislation.

Structure, governance and management

a. Constitution

The Madrinha Trust is a registered charity, number 1140672, and is constituted under a Trust deed. The trust is registered with the Charity Commission in England and Wales.

There are no restrictions in the governing document on the operation of the charity or on its investment powers other than those imposed by general charity law.

b. The Trustees

The trustees who served the charity during the year were as follows:

J Geoghegan (Chairman)
S C Mckeand-Han (Legal Advisor)
Dr C Chanda
W Dear
E Patsalos
C Pocock
V Kyte
A Singh
G Dibiasse
S Haidry

All trustees give their time freely and no trustee remuneration was paid in the year.

c. The methods adopted for the recruitment and appointment of new trustees

The minimum number of trustees for the charity is three. Any additional trustees must be appointed by resolution of the trustees and must indicate their willingness to act as a trustee of the charity before he or she may act as such.

d. Policies adopted for the induction and training of Trustees

There is no formal procedure for the induction and training of trustees laid down in the Trust deed. Trustees will have long standing business experience or direct experience of charitable education provision in the developing world. All trustees will be given and directed to guidance for trustees issued by the Charities Commission in order to help them understand their duties and responsibilities as a trustee of the charity

e. The organisational structure of the charity and how decisions are made

The trust is managed by trustees. The trust deed stipulates that at least two meetings are held per year. During 2022, three trustee meetings were held.

The trustees have prodedural powers in relation to decision making to:

- (a) Appoint a chairman, treasurer and other honorary officers;
- (b) Delegate any of their functions to a committee, which must consist of two or more persons, the majority of which must also be trustees;
- (c) Make rules to govern the proceedings of trust meetings and committees;
- (d) Make regulations to govern the administration of the charity including the use and application of the income, property and funds, the operation of bank accounts and the committment of funds.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

The following officers are currently in place: chairman, treasurer and legal advisor who all support and advise the trustees. Decisions at trustee meetings are determined by a simple majority of the votes cast at a meeting of the trustees.

f. The major risks to which the charity is exposed and reviews and systems to mitigate risks

The trustees identify the major risks to which the charity is exposed each financial year when preparing and updating a strategic plan, in particular those related to the operations and finances of the charity. The trustees then review any major risks, which have been identified, and establish systems to mitigate those risks. The charity is satisfied that the systems are in place to mitigate their exposure to the major risks which have been so identified and reviewed.

g. Financial Risk Management Objectives and Policies

The main financial risks arising from the charities activities are credit/ liquidity and fraud risk and other risks as described below.

Liquidity Risk

The charity prepares regular forecasts and reports to its members on a quarterly basis. The board of trustees approve the forecasts and signs off the year end accounts. The charity understands its cash flow requirements and its policy is to maintain sufficient funds in a liquid form at all times to ensure that the charity can meet its liabilities as they fall due. The charity is not reliant on grants and donations.

Other risks/ fraud risk

The charity is not exposed to risks involved in fundraising because its activities are supported by income from investment capital.

The charity is exposed to risk from misappropriation of funds or mismanagement of its investments but has made contracts with Veritas Investment Management LLP and SEI Investments (Europe) Ltd in which any loss caused by them in this manner would constitute a breach and be remediable in law.

The charity is exposed to misappropriation of grants. It controls this by seeking receipts and verifying use of funds wherever possible, for example, by attendance reports from the school that a student has attended.

The charity relies on its investments delivering income and value growth to fund future activities. As with any investment, there is a risk that the value declines, this is mitigated through the appointment of a professional investment manager, Veritas Investment Management LLP, to manage the portfolio.

h. Relationships with other groups, charities and individuals

The charity recognises that there is much activity already in the area of improving education in the developing world. The Madrinha Trust aims to complement rather than compete with existing organisations and as stated in the charity's development plan aims to ensure that funds are not spent on any infrastructure costs of those organisations and that funds are additional to rather than a replacement of existing funds.

Up to the end of 2022 the Charity had established relationships with 12 other charitable organisations through which grants to Mentees are made. The relationships currently existent are:

- a) Tana River Life Foundation (TRLF) is a Charitable Trust set up by Gabriel Teo Kian Chong on 13th December 2005 in Mombasa, Kenya. Gabriel has been living and working in Tana River District, Kenya since 1995. The Foundation was set up with the objective of assisting the marginalized through education and acquisition of livelihood skills.
- b) Al-Quds Foundation for Medical Schools in Palestine (FQMS) was formed in 1997 as a UK registered charity to support medical education in Palestine.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

- c) KHULA (formerly the David Rattray Foundation) which means to Grow or to Prosper. The David Rattray Foundation was founded originally in 2007. KHULA works closely with communities and schools in Umzinyathi District of KwaZulu Natal, South Africa in providing the resources, skills and opportunities that the pupils need to succeed in life.
- d) Rwanda Aid operates in the remote south-west of Rwanda, in the districts of Rusizi and Nyamasheke. The aim is to support the vulnerable and disadvantaged, especially children, helping them to develop the skills and knowledge to build a better future for themselves, their families and their community.
- e) The Himalayan Youth Foundation (HYF) works to improve the education, health and living conditions of orphaned, semi-orphaned and disadvantaged children and young people aged 6 - 25 living in the Himalayan region.
- f) Kenya Kesho is a very small educational charity having a huge impact on a very local, disadvantaged community in Kwale County of Southern Kenya. Kwale County came second to bottom in the national educational league tables in the latest National assessments
- g) Commonwealth Girls Education Fund (CGEF), based in the United Kingdom, provides sponsorship grants to girls for secondary or high school education where this otherwise might not be possible.
- h) Teach the Nation: Through its Fellowship scheme, Teach the Nation seeks to develop students and to help them to reach their full potential and make them ready for their future career.
- i) Edu Fun, based in South Africa, is a volunteer-led non-for profit organisation working with the Diepsloot Combined School in the township of Diepsloot on the northern outskirts of Johannesburg, South Africa.
- j) Make A Difference Leadership Foundation (MAD Leadership Foundation), based in South Africa, shares a vision to develop academically talented scholars with leadership potential into future leaders for South Africa. Make A Difference Leadership Foundation NPC was formed in 2003 to realise this ambition to transform South Africa – one scholar at a time.
- k) TEST (The Tertiary Education Scholarship Trust) for Africa, based in Malawi, Tanzania and Uganda. In the late 1960s at Oxford University Keith Lloyd was at Linacre College, which was gender neutral with some 50% of the students from non-UK countries. Prof. Hagan was at Linacre at the same time and little did they know that they would meet again some 40 years later! The Linacre experience left them both with a profound sense of the value of education in future advancement of society. Almost 20 years ago, Keith and his wife, Marjorie, with the help of the UK government through the DFID scheme created a series of Scholarships (Norman & Ivy LLOYD and LLOYD Scholars) for very bright, financially needy African students to pursue one year Masters studies in subjects which would enhance the social and economic development of their countries of origin. Since then we have some 30 to 40 successful "sons and daughters" who are back in Africa making significant contributions to their communities.
- l) Saigon Children is a Vietnamese charity that enables disadvantaged children and young adults in Vietnam to reach their full potential through receiving a quality education that is relevant to their needs.

The characteristics of our partner charities are as follows:

- Our partner charities have effective presence in the countries in which they operate, and a working knowledge of their individual educational, political and economic settings.
- We have easy access to a named individual within our partner charity who is responsible for responding to our queries, allaying any concerns and is amenable to being guided in our ethos, requirements and targets.
- Our partners are financially stable, have other sources of income and are not dependent on our funding.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

- Our partners participate in our interactive sessions and celebrate the success of our mentees.
- Our partner charities actively participate in recommending and recruiting suitable mentors, who are familiar with their region or country of operation.

Objectives and activities

a. A summary of the objects of the charity as set out in its governing document

The Trust deed of the charity was created on 1 February 2011 on funds settled by Michael Francis Geoghegan, the first three trustees being named as Jania Geoghegan, Maya Sanbar and Amrit Singh. The Trust deed outlines the objectives of the charity, the powers of the trustees and procedures for their appointment, rules for the proceedings of trustees and their procedural powers, requirements for records and accounts and procedures for the amalgamation and dissolution of the charity.

The objectives of the charity are the advancement of education and the relief of poverty by the provision of funds and financial assistance to educational and other projects anywhere in the world, but with a particular focus on Africa and the developing world.

Selected projects should aim to improve education, relieve poverty and improve the conditions for socially and economically disadvantaged people and communities.

b. Public benefit that is provided by the charity

Throughout the financial year the main objective of the charity continued to be to identify young people in the developing world and support them through their education as well as supporting those students currently sponsored by the charity.

The charity believes that the provision of a support structure to ensure that a young person receives an adequate education is a very important step in ensuring that a young person, their family and ultimately their community can lift themselves out of poverty.

The trustees of the charity have been directly involved in mentoring selected individuals so that they can assist them with their paths and ensure, as far as possible, that the recipients use their talents and education for the benefit of their native country.

In framing the objectives of the charity, the trustees have had regard to the general guidance issued by the Charity Commission on public benefit, including guidance on the prevention and relief of poverty for the public benefit.

c. The charity's aims including the changes or differences it seeks to make through its activities

The charity's vision is to develop future leaders of the developing world. This will be achieved by providing educational funding for disadvantaged young people with leadership ability and providing individually tailored support for their development, encouraging an open mentoring relationship to boost their confidence and creating an avenue for exploring the opportunities open to them.

The charity is committed to providing access to education for the young people in its programme by paying school and tertiary education fees. In addition, the charity will provide ancillary services to the Mentees such as books, uniforms and travel and subsistence allowances to bridge the gap between school and university and facilitate work experience in any gap year periods.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities (continued)

In order to maximise the benefit of any education that it provides, the charity believes that mentoring and guidance is an important part of the education process. The charity also aims to provide Mentees with access to a Mentor who will offer long term support, guidance and encouragement to enable Mentees to pursue their personal goals and ambitions.

The charity has a wide discretion in its powers and can help the education process in several ways. This could also include assisting and funding research to create an economic plan for a country, provide funds for the education of potential leaders, as well as helping build the educational structure in third world countries.

d. An explanation of the charity's main objectives for the year

During 2022 the objective of the charity remained to expand its base of mentors and to develop and strengthen links with sponsoring partners with the aim of increasing the number of children receiving educational support.

The charity has also actively looked to strengthen the administration, mentoring offering and marketing of the charity.

e. An explanation of the charity's strategies for achieving its stated objectives

The Madrinha Trust plans to spend its endowment over 20 years in line with its Development Plan. This plan outlines the charity's strategies for achieving its stated objectives that have been followed during the year which broadly are:

1. Find suitable beneficiaries

Following approvals made at Trustee meetings the charity has supported or will provide support to a total of 60 Mentees whose educational expenditure has been approved.

The Mentees of the Trust:

- are High Achievers who very often have no positive role models within their local communities.
- are from disadvantaged backgrounds and often the first within their families to aspire to higher education. Without the Trust support, they will be unlikely to further their education in spite of having great potential.
- have the potential to become leaders in various fields and within their communities. Our mentors continue to guide them to recognise this potential and fulfil it.
- have strong commitments to give back and 'pay forward' to their communities and to contribute to making the wider world better for others. Accepting a mentored funding agreement which incorporates a strong personal statement of 'give-back commitment' is essential to the commencement and continuation of our relationship.
- are able and willing to communicate their needs, goals (short, medium and long) and their challenges to their mentors. Their mentors will keep working with them to find suitable solutions.

2. Mentor the beneficiaries

Before the approval of any financial support the Mentees have to agree to participation in the mentoring process. Each of the approved mentees has been allocated a Mentor and the communication and support process has started.

To ensure that the Mentees are paired with a Mentor from whom they can benefit and to ensure the ongoing quality of the Mentoring process, the charity holds regular Mentoring workshops. The sessions sometimes involve the participation of other Mentoring charities with the objective of this collaboration being to help the Madrinha Trust develop its own best practice and provide the opportunity for the Mentors to share and learn from each other's successes.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities (continued)

The overall objective remains to ensure that Mentors are paired with a suitable Mentees and to coach the skills required to be a successful Mentor, the records that need to be kept of communications, guidelines for Mentees, evaluation techniques and how to report success.

Madrinha places great value on the role of Mentor being performed to as high a standard as possible to ensure that the process is carried out for the maximum benefit of Mentees. Therefore, a Mentoring handbook has been published and is issued to all Mentors. The Mentoring handbook contains the Madrinha Trust's core values, the roles and responsibilities of Mentors, rights and responsibilities of Mentees, steps in the mentoring process, record keeping requirements, the requirement for a filter in the mentoring process, tips on letter writing and developing relationships as well as guidance in the case of problems.

The charity now has 68 Mentors and to help with the administration process and in addition to the Mentoring handbook has issued a Mentoring summary, five mentoring tools as well as developing a Mentoring agreement to ensure that all parties are clear what is expected of them.

- Our mentors are professionals in various fields who understand the value of their gift of time to support a mentee.
 - They have an affinity for either the mentee's country, subject of study or aspirations; very often all three.
 - Our mentors have an understanding of the mentees' circumstances, environment, and educational system and are empathetic.
 - Our mentors attend interactive sessions and actively strive to understand and mentor in line with the Trust's ethos.
 - Our mentors often have language skills that make communicating with the mentees both easier and more enjoyable for the mentee.
3. Complete its mission
- Madrinha will create an alumni association for its "graduates" who have completed the formal period of education and mentoring.
 - It will hold a webinar every alumnus can share experiences and ideas.
 - It will create on-line closed communications for Mentees and for Mentors.
 - Madrinha will take on sufficient beneficiaries so that its funds are mainly used up by 2030.
 - At this stage the alumni association could appeal to alumni to maintain their association from their own contributions and offer their services as mentors through and for other organisations.
4. Marketing the charity
- The charity has been marketed by:
- Use of its website with Mentor profiles and videos from Mentees. the address is www.madrinha-trust.org
 - A Facebook page.
 - A LinkedIn page with connections to mentees, mentors and "on the ground co-ordinators".
 - A regular Madrinha trust newsletter issued to Mentees, Mentors and supporters of the charity.
 - An annual report detailing the work of the charity during the year.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

a. Charitable activities during the year

Applications have now been considered and approved from 71 Mentees in 11 countries. The trustees have the intention to make payments over the years from 2022 to 2027 of £908,400 (2021: £557,755).

This includes a total of £239,505 which was committed to during 2022 (2021: £179,870) bringing total costs for educational fees and other support to £1,995,061.

b. Fundraising activities

During the course of the year the charity has continued to be funded by the original expendable endowment of a gift of shares given by Mr M F Geoghegan.

c. Investment performance achieved against investment objectives set

The trustees have adopted a statement of investment principles which are described in the section of the trustees' report relating to investment policies and objectives.

The market investments are held by Veritas Investment Management LLP who issue a monthly valuation report. In addition, the charity Treasurer and a trustee hold a meeting with Veritas Investment Management LLP on an annual basis unless circumstances require greater frequency.

Financial review

a. Policies on reserves

At the end of December 2022, the Charity has £398,448 (2022: £803,842) of funds and has powers in its trust deed to use its capital over the lifespan of the charity (expected to be twenty years) to support its charitable aims.

b. Principal funding sources and how expenditure in the year under review has supported the key objectives of the charity

The charity has also been funded, as permitted in its trust deed, primarily by drawing down cash from the investment portfolio managed by Veritas Investment Management LLP which has been used to support the charity's activities during the year. By the end of December 2022, a total of £2,367,000 (2021: £2,132,000) had been drawn down from Veritas.

c. The investment policy and objectives, including the extent (if any) to which social, environmental or ethical considerations are taken into account

1. Background

The Charity is an unincorporated charity, given initial funding in the form of £1.9m in HSBC shares donated by Mr M F Geoghegan.

The shares were immediately put into an investment fund held by SEI Investments (Europe) Ltd and managed by Veritas Investment Management LLP, who actively manage the share portfolio of the Charity.

Veritas Investment Management LLP issue a monthly share valuation and in addition the Charity Treasurer and Chairman hold meetings with the fund managers to discuss and review the charity's portfolio.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

During the course of the year the value of the funds under management decreased from £2.255m to £1.844m. The performance is analysed in the table below.

	2022
	£
Brought forward	2,255
Purchases	-
Sales	(229)
Realised and unrealised losses	(182)
Carried forward	1,844

2. Investment Objectives

In order to guide the investment strategy, the board of trustees has adopted the following objectives with respect to investments:

- The day to day management of investments is undertaken by professional investment managers on a discretionary basis.
- The trust wishes to maximise the returns on all its investments, commensurate with its defined level of risk, whilst adhering to the general principles of trust law for charitable investment portfolios.

At 31 December 2022, 95% of the portfolio was held in equities and 5% in fixed interest securities.

3. Risk

The assets of the charity will be exposed to various financial risks. The board has considered the following risks when agreeing their strategy:

- The risk that investments will not deliver the increases in real capital or income values expected.
- The risk that the investment managers will not achieve the returns projected.

4. Investment Strategy

The strategy adopted is that:

- Investments are held to create real returns over the investment horizon of five years plus through both dividend and interest income and capital growth. The Development Plan assumes a real return of 2%.
- The trustees are willing to accept a medium risk approach in the achievement of their objectives.
- The long term indicative guideline asset allocation will be 60% equities and 40% bonds/ cash/ equivalents.
- There will be 18,000 HSBC shares included in the share portfolio.

5. Ethical Position

The charity has issued no ethical guidelines to Veritas Investment Management LLP.

6. Day to day management

The trustees have appointed Veritas Investment Management LLP as the investment manager to manage the trust's investment portfolio. The investment manager will exercise its investment powers to achieve the trust's objectives with the appropriate level of diversification as directed in section 3.12 of the Charitable Trust deed. In addition, the charity Treasurer and a trustee hold a meeting with Veritas Investment Management LLP on an annual basis unless circumstances require greater frequency.

THE MADRINHA TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

d. Availability and adequacy of assets of each of the funds

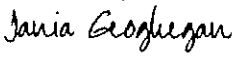
The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

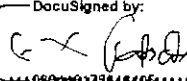
e. Transactions and Financial position

The Statement of Financial Activities shows net outgoing resources for the year of £223,717 (2021: £272,268) prior to net losses on investments of £181,677 (2021: net gains of £318,074), resulting in net outgoing resources of £405,394 (2021: net incoming resources of £45,806).

The total reserves at the period end stand at £398,448 (2021: £803,842).

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

.....BD518E3A248048D.....
J Geoghegan
Trustee

DocuSigned by:

.....050460773846405.....
E Patsalos
Trustee

Date: 25 October 2023 | 12:30 AM PDT

THE MADRINHA TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2022


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


The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

DocuSigned by:

.....BD518E3A246049D.....
J Geoghegan
Trustee

DocuSigned by:

.....033448175646406.....
E Patsalos
Trustee

Date: 25 October 2023 | 12:30 AM PDT

THE MADRINHA TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Independent examiner's report to the Trustees of The Madrinha Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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 (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.


I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

 Dated: 30/10/2023

Jeremy Tyrrell FCA

14-16 Dowgate Hill, London, EC4R 2SU

THE MADRINHA TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Endowment funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:					
Donations and legacies	3	-	14,081	14,081	-
Investments	4	3,962	-	3,962	5,039
Other income	5	-	133,161	133,161	-
Total income and endowments		3,962	147,242	151,204	5,039
Expenditure on:					
Raising funds	6	(810)	(3,914)	(4,724)	1,857
Charitable activities	8	-	379,645	379,645	275,450
Total expenditure		(810)	375,731	374,921	277,307
Net income/(expenditure) before net (losses)/gains on investments					
		4,772	(228,489)	(223,717)	(272,268)
Net (losses)/gains on investments		(30,912)	(150,765)	(181,677)	318,074
Net (expenditure)/income		(26,140)	(379,254)	(405,394)	45,806
Transfers between funds	19	(154,243)	154,243	-	-
Net movement in funds		(180,383)	(225,011)	(405,394)	45,806
Reconciliation of funds:					
Total funds brought forward		496,111	307,731	803,842	758,036
Net movement in funds		(180,383)	(225,011)	(405,394)	45,806
Total funds carried forward		315,728	82,720	398,448	803,842

The Statement of financial activities includes all gains and losses recognised in the year.


The notes on pages 15 to 29 form part of these financial statements.

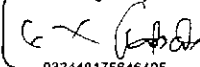
THE MADRINHA TRUST

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Investments	12	1,844,469	2,255,146
		<u>1,844,469</u>	<u>2,255,146</u>
Current assets			
Debtors	13	18,770	6,406
Cash at bank and in hand		14,989	84,990
		<u>33,759</u>	<u>91,396</u>
Creditors: amounts falling due within one year	14	(294,428)	(1,271,504)
		<u>(260,669)</u>	<u>(1,180,108)</u>
Net current liabilities			
		(260,669)	(1,180,108)
Total assets less current liabilities		<u>1,583,800</u>	<u>1,075,038</u>
Creditors: amounts falling due after more than one year	16	(1,185,352)	(271,196)
		<u>(1,185,352)</u>	<u>(271,196)</u>
Total net assets		<u><u>398,448</u></u>	<u><u>803,842</u></u>
Charity funds			
Endowment funds	19	315,728	496,111
Unrestricted funds	19	82,720	307,731
		<u>398,448</u>	<u>803,842</u>
Total funds		<u><u>398,448</u></u>	<u><u>803,842</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

BD519E3A296049D.....
J Geoghegan
 Trustee

DocuSigned by:

033448175846405.....
E Patsalos
 Trustee

Date: 25 October 2023 | 12:30 AM PDT

The notes on pages 15 to 29 form part of these financial statements.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Madrinha Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The trustees confirm their explicit and unreserved compliance with the above legislation.

The financial statements have been prepared in Sterling and all amounts have been rounded to the nearest £.

1.2 Going concern

It is the opinion of the Trustees that the use of the going concern basis of accounting is appropriate because:

- there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the charity to continue as a going concern;
- there is reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, this being at least 12 months from the date on which the balance sheet was signed
- Mr Geoghegan has confirmed to support the charity for the foreseeable future

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The charity is substantially funded by an expendable endowment and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

Investment income, gains and losses are allocated to the appropriate fund.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.4 Income

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 and grants receivable are taken into account when received by the charity. Income received in circumstances where a claim for repayment of tax has been made or will be made to HM Revenue and Customs is grossed up for the tax recoverable. Any amounts of tax reclaimed from HM Revenue and Customs but not yet received is shown within the charity's debtors.

Donations are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either these 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 year..

Dividends are included in the income and expenditure account when they are disclosed on a statement of investment valuation, issued monthly by Veritas Investment Management LLP.

1.5 Expenditure

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, including irrecoverable VAT, is accounted for on an accruals basis. All expenses, including support and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Interest receivable

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 institution with whom the funds are deposited.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Allocation of support and governance costs

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees together with an apportionment of overhead and support costs relating to trustees meetings..

1.9 Charitable activities

The expenditure on charitable activities includes grants made, governance costs and an apportionment of support costs as shown in the notes.

1.10 Unrealised and realised gains and losses

Realised gains and losses are included in the accounts on the date at which a contractual obligation is entered into.

Unrealised gains and losses are computed by reference to the market value of the investments at the balance sheet date, compared to the brought forward cost or valuation, and gains and losses arising on similar categories of investments are netted off.

1.11 Investments

Fixed asset investments are listed investments which have been included in the balance sheet at the value stated on the Veritas Investment Management LLP statement at 31 December, the last statement issued in each financial year. Investments are shown at the mid-market value.

1.12 Reserves

Any unrestricted funds held are regularly monitored with the intention of using them to forward the charity's objectives.

The reserves policy is regularly assessed by the trustees for appropriateness.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.14 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are normally recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial. In such cases, creditors are stated at transaction value.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

Long and short term mentee accruals are based on constructive, rather than legal, obligations.

1.16 Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment, where appropriate).

1.17 Grant making policy

The charity makes grants for educational expenditure to young people in the developing world, especially in Africa.

Either through recommendation from a sponsoring organisation or directly, candidates make an application to the charity which should include the ongoing costs of education. The candidates must agree to participate in the charity's mentoring process, to communicate with Mentors and record and share progress. Applications are subject to phone interviews, reviewed and approved at trustees meetings.

Grants to successful applicants are paid on production of supporting documentation for educational fees. Grants will be made to cover the full length of both secondary and post-secondary education and grants will be paid annually for as long as education continues. The performance grades of Mentees and commitment to the Mentoring process is monitored. A grant programme could be terminated for performance below the expected standard.

Educational grants are recognised in full in the accounts for the entire period of education to be supported at the time that the grant is approved by the trustees. Grants are paid annually with the amount paid being deducted from the total grant provision, any adjustment being made for changes to the total expected cost of education over the life of the grant. Should any student not finish the full period of education covered by the grant, any balance of grant provision will be written back to the accounts in the period in which the support ended.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The trustees are of the opinion that the following estimates and assumptions may carry a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Discount Rates for long term loans and accruals

The discount rate applied for long term mentee accruals is based on an estimate or expectation of the average inflation over the life of the accrual.

The discount rate applied for the long term loan received from M Geoghegan is based on an estimated interest rate of a similar loan, ie base rate plus 1%.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	14,081	14,081	-

4. Investment income

	Endowment funds 2022 £	Total funds 2022 £
Dividends and interest	3,962	3,962

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Dividends and interest	5,039	5,039

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Capital Contribution arising from loan interest foregone	133,161	133,161	-

6. Investment management costs

	Endowment funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Investment management costs	(810)	(3,914)	(4,724)

	<i>Endowment funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment management costs	1,857	1,857

7. Analysis of grants

	Grants to Individuals 2022 £	Total funds 2022 £
Grants, Grant giving and mentee support	337,614	337,614

	<i>Grants to Individuals 2021 £</i>	<i>Total funds 2021 £</i>
Grants, Grant giving and mentee support	232,238	232,238

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £
Grant giving and mentee support	379,645	379,645
	<u>379,645</u>	<u>379,645</u>
	<i>Unrestricted funds 2021 £</i>	<i>Total 2021 £</i>
Grant giving and mentee support	275,450	275,450
	<u>275,450</u>	<u>275,450</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Grant giving and mentee support	28,141	337,614	13,890	379,645
	<u>28,141</u>	<u>337,614</u>	<u>13,890</u>	<u>379,645</u>
	<i>Activities undertaken directly 2021 £</i>	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Grant giving and mentee support	29,953	232,238	13,259	275,450
	<u>29,953</u>	<u>232,238</u>	<u>13,259</u>	<u>275,450</u>

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Grant giving and mentee support 2022 £	Total funds 2022 £
Staff costs	24,147	24,147
Bank and other charges	1,673	1,673
Travel and subsistence	40	40
IT and software costs	30	30
Admin and office costs	149	149
Gifts and entertainment	2,102	2,102
	<u>28,141</u>	<u>28,141</u>
	<u><u>28,141</u></u>	<u><u>28,141</u></u>
	<i>Grant giving and mentee support 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	25,068	25,068
Bank and other charges	1,481	1,481
Travel and subsistence	785	785
IT and software costs	19	19
Admin and office costs	2,232	2,232
Gifts and entertainment	368	368
	<u>29,953</u>	<u>29,953</u>
	<u><u>29,953</u></u>	<u><u>29,953</u></u>

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Grant giving and mentee support 2022 £	Total funds 2022 £
IT and software costs	939	939
Admin and office costs	4,497	4,497
Governance costs	8,454	8,454
	<u>13,890</u>	<u>13,890</u>

	<i>Grant giving and mentee support 2021 £</i>	<i>Total funds 2021 £</i>
IT and software costs	1,075	1,075
Admin and office costs	4,888	4,888
Governance costs	7,296	7,296
	<u>13,259</u>	<u>13,259</u>

10. Staff costs

	2022 £	2021 £
Wages and salaries	23,625	23,625
Social security costs	-	1,023
Contribution to defined contribution pension schemes	522	420
	<u>24,147</u>	<u>25,068</u>

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Administration and support	<u>1</u>	<u>1</u>

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

12. Fixed asset investments

	Listed investments £	
Cost or valuation		
At 1 January 2022	2,255,146	
Disposals	(229,000)	
Revaluations	(181,677)	
At 31 December 2022	<u>1,844,469</u>	
Net book value		
At 31 December 2022	1,844,469	
At 31 December 2021	<u>2,255,146</u>	
Breakdown of gains/ (losses)		
	2022	2021
	£	£
Realised gains/ (losses)	(20,859)	20,508
Unrealised gains/ (losses)	(160,818)	297,567
	<u>(181,677)</u>	<u>318,075</u>

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Debtors

	2022	2021
	£	£
Due within one year		
Other debtors	327	327
Prepayments and accrued income	18,443	6,079
	<u>18,770</u>	<u>6,406</u>
	<u><u>18,770</u></u>	<u><u>6,406</u></u>

14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	4,253	4,253
Other creditors	-	1,000,000
Accruals	290,175	267,251
	<u>294,428</u>	<u>1,271,504</u>
	<u><u>294,428</u></u>	<u><u>1,271,504</u></u>

15. Accruals: Amounts falling due within one year

Accrued educational expenses	284,895	256,295
Other accrued expenses	5,280	10,956
	<u>290,175</u>	<u>267,251</u>
	<u><u>290,175</u></u>	<u><u>267,251</u></u>

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other creditors	866,839	-
Accrued educational expenses	318,513	271,196
	<u>1,185,352</u>	<u>271,196</u>

Accrued educational expenses have been calculated at amortised cost using a discount rate of 5.5% (2021: 3%).

Other creditors represent a £1m loan advanced by M Geoghegan in 2021. The loan is interest free and was originally repayable on demand. However, the terms of the loan have been amended such that repayment date is extended to August 2026 at which point the full £1m loan is due to be repaid. In line with accounting standards, the loan has been discounted at base rate plus 1%.

17. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>1,844,469</u>	<u>2,255,146</u>

Financial assets measured at fair value through income and expenditure comprise the charity's investment portfolio.

18. Related party transactions

There were no related party transactions during the year. However, during the previous year an interest free loan of £1 million was received from Michael Geoghegan, who is related to J Geoghegan (trustee). This loan became a long term loan in 2022. Details are disclosed in Note 16.

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Designated Fund	80,757	-	-	(80,757)	-	-
General funds						
General Funds	226,974	147,242	(375,731)	235,000	(150,765)	82,720
Total Unrestricted funds	307,731	147,242	(375,731)	154,243	(150,765)	82,720
Endowment funds						
Endowment Fund	496,111	3,962	810	(154,243)	(30,912)	315,728
Total of funds	803,842	151,204	(374,921)	-	(181,677)	398,448

The endowment fund is expendable and represents a gift of shares by Mr M F Geoghegan. It is to be spent on the provision of grants to mentees taking part in the charity's sponsorship and support programmes.

The designated fund represents an initial transfer of shares in HSBC and is to be spent on educational projects over the remaining life of the trust.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
Unrestricted funds						
Designated funds						
Designated Fund	68,193	-	(29,737)	29,737	12,564	80,757
General funds						
General Funds	205,424	-	(245,713)	267,263	-	226,974
Total Unrestricted funds	<u>273,617</u>	<u>-</u>	<u>(275,450)</u>	<u>297,000</u>	<u>12,564</u>	<u>307,731</u>
Endowment funds						
Endowment Fund	484,419	5,039	(1,857)	(297,000)	305,510	496,111
Total of funds	<u><u>758,036</u></u>	<u><u>5,039</u></u>	<u><u>(277,307)</u></u>	<u><u>-</u></u>	<u><u>318,074</u></u>	<u><u>803,842</u></u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	315,728	1,528,741	1,844,469
Current assets	-	33,759	33,759
Creditors due within one year	-	(294,428)	(294,428)
Creditors due in more than one year	-	(1,185,352)	(1,185,352)
Total	<u><u>315,728</u></u>	<u><u>82,720</u></u>	<u><u>398,448</u></u>

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Endowment funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fixed asset investments	488,114	1,767,032	2,255,146
Current assets	7,997	83,399	91,396
Creditors due within one year	-	(1,271,504)	(1,271,504)
Creditors due in more than one year	-	(271,196)	(271,196)
Total	<u>496,111</u>	<u>307,731</u>	<u>803,842</u>

THE MADRINHA TRUST

England & Wales - Charity number 1140672

Accounts

Charity number: 1140672

**THE MADRINHA TRUST
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
14-16 Dowgate Hill
London
EC4R 2SU

THE MADRINHA TRUST

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THE MADRINHA TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees	J Geoghegan C Chanda W Dear G Diblase V Kyte S C Mckeand-Han T Morrell E Patsalos C V Pocock A Singh
Charity registered number	1140672
Principal office	c/o RPG Crouch Chapman LLP 14-16 Dowgate Hill London EC4R 2SU
Accountants	RPG Crouch Chapman LLP 14-16 Dowgate Hill London EC4R 2SU
Bankers	HSBC Church Street Weybridge Surrey KT13 8DF
Solicitors	Thomson Snell & Passmore 3 Lonsdale Gardens Tunbridge Wells TN1 1NX
Investment Advisor	Veritas Investment Management LLP 90 Long Acre London WC2E 9RA
Independent Examiner	Jeremy Tyrrell RPG Crouch Chapman LLP 14-16 Dowgate Hill London EC4R 2SU

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees of The Madrinha Trust present their annual report as Trustees together with the financial statements of the The Madrinha Trust for the year 1 January 2021 to 31 December 2021 as required by Charity regulations and legislation..

Structure, governance and management

a. Constitution

The Madrinha Trust is a registered charity, number 1140672, and is constituted under a Trust deed. The trust is registered with the Charity Commission in England and Wales.

There are no restrictions in the governing document on the operation of the charity or on its investment powers other than those imposed by general charity law.

b. The Trustees

The trustees who served the charity during the year were as follows:

J Geoghegan (Chairman)
S C Mckeand-Han (Legal Advisor)
Dr C Chanda
W Dear
E Patsalos
C Pocock
V Kyte
A Singh
G Dibiasi
T Morrell

All trustees give their time freely and no trustee remuneration was paid in the year.

c. The methods adopted for the recruitment and appointment of new trustees

The minimum number of trustees for the charity is three. Any additional trustees must be appointed by resolution of the trustees and must indicate their willingness to act as a trustee of the charity before he or she may act as such.

d. Policies adopted for the Induction and training of Trustees

There is no formal procedure for the induction and training of trustees laid down in the Trust deed. Trustees will have long standing business experience or direct experience of charitable education provision in the developing world. All trustees will be given and directed to guidance for trustees issued by the Charities Commission in order to help them understand their duties and responsibilities as a trustee of the charity

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

e. The organisational structure of the charity and how decisions are made

The trust is managed by trustees. The trust deed stipulates that at least two meetings are held per year. During 2021, three trustee meetings were held.

The trustees have procedural powers in relation to decision making to:

- (a) Appoint a chairman, treasurer and other honorary officers;
- (b) Delegate any of their functions to a committee, which must consist of two or more persons, the majority of which must also be trustees;
- (c) make rules to govern the proceedings of trust meetings and committees;
- (d) make regulations to govern the administration of the charity including the use and application of the income, property and funds, the operation of bank accounts and the commitment of funds.

The following officers are currently in place: chairman, treasurer and legal advisor who all support and advise the trustees. Decisions at trustee meetings are determined by a simple majority of the votes cast at a meeting of the trustees.

f. The major risks to which the charity is exposed and reviews and systems to mitigate risks

The trustees identify the major risks to which the charity is exposed each financial year when preparing and updating a strategic plan, in particular those related to the operations and finances of the charity. The trustees then review any major risks, which have been identified, and establish systems to mitigate those risks. The charity is satisfied that the systems are in place to mitigate their exposure to the major risks which have been so identified and reviewed.

g. Financial Risk Management Objectives and Policies

The main financial risks arising from the charities activities are credit, liquidity, fraud and price risk.

Price Risk

The charity is not subject to any price risk.

Credit Risk

The charity does not hold any material balance sheet positions with regards to donations receivable and so does not consider credit risk a material risk.

Liability Risk

The charity does not hold any material day to day liabilities on its balance sheet and always tries to settle any amounts owed to its creditors within the period of credit given of 30 days.

Cash Flow Risk

The charity prepares regular forecasts and reports to its members on a quarterly basis. The board of trustees approve the forecasts and signs off the year end accounts. The charity understands its cash flow requirements and its policy is to maintain sufficient funds in a liquid form at all times to ensure that the charity can meet its liabilities as they fall due. The charity is not reliant on grants and donations.

Other risks

The charity is not exposed to risks involved in fundraising because its activities are supported by income from investment capital.

The charity is exposed to risk from misappropriation of funds or mismanagement of its investments but has made contracts with Veritas Investment Management LLP and SEI Investments (Europe) Ltd in which any loss caused by them in this manner would constitute a breach and be remediable in law.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

The charity is exposed to misappropriation of grants. It controls this by seeking receipts and verifying use of funds wherever possible, for example, by attendance reports from the school that a student has attended.

The charity relies on its investments delivering income and value growth to fund future activities. As with any investment, there is a risk that the value declines, this is mitigated through the appointment of a professional investment manager, Veritas Investment Management LLP, to manage the portfolio.

h. Relationships with other groups, charities and individuals

The charity recognises that there is much activity already in the area of improving education in the developing world. The Madrinha Trust aims to complement rather than compete with existing organisations and as stated in the charity's development plan aims to ensure that funds are not spent on any infrastructure costs of those organisations and that funds are additional to rather than a replacement of existing funds.

Up to the end of 2021 the Charity had established relationships with 12 other charitable organisations through which grants to Mentees are made. The relationships currently existent are:

- a) Tana River Life Foundation (TRLF) is a Charitable Trust set up by Gabriel Teo Kian Chong on 13th December 2005 in Mombasa, Kenya. Gabriel has been living and working in Tana River District, Kenya since 1995. The Foundation was set up with the objective of assisting the marginalized through education and acquisition of livelihood skills.
- b) Al-Quds Foundation for Medical Schools in Palestine (FQMS) was formed in 1997 as a UK registered charity to support medical education in Palestine.
- c) KHULA (formerly the David Rattray Foundation) which means to Grow or to Prosper. The David Rattray Foundation was founded originally in 2007. KHULA works closely with communities and schools in Umzinyathi District of KwaZulu Natal, South Africa in providing the resources, skills and opportunities that the pupils need to succeed in life.
- d) Rwanda Aid operates in the remote south-west of Rwanda, in the districts of Rusizi and Nyamasheke. The aim is to support the vulnerable and disadvantaged, especially children, helping them to develop the skills and knowledge to build a better future for themselves, their families and their community.
- e) The Himalayan Youth Foundation (HYF) works to improve the education, health and living conditions of orphaned, semi-orphaned and disadvantaged children and young people aged 6 - 25 living in the Himalayan region.
- f) Kenya Kesho is a very small educational charity having a huge impact on a very local, disadvantaged community in Kwale County of Southern Kenya. Kwale County came second to bottom in the national educational league tables in the latest National assessments
- g) Commonwealth Girls Education Fund (CGEF), based in the United Kingdom, provides sponsorship grants to girls for secondary or high school education where this otherwise might not be possible.
- h) Ada College of Education, based in Ghana, is part of the 38 public Colleges of Education scattered throughout the country. The school is under the ministry of education and admission into the school is structured and supervised by the principals of colleges of education (princof). It was formerly called Ada Teacher Training College, established in 1965. Located at Ada Foe in the Greater Accra Region it is one of the two Colleges of Education in the Greater Accra Region, which is responsible for training Professional Teachers in the Basic Education Level. It is Accredited to the University of Cape Coast.
- i) Edu Fun, based in South Africa, is a volunteer-led non-for profit organisation working with the Diepsloot Combined School in the township of Diepsloot on the northern outskirts of Johannesburg, South Africa.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

- j) Make A Difference Leadership Foundation (MAD Leadership Foundation), based in South Africa, shares a vision to develop academically talented scholars with leadership potential into future leaders for South Africa. Make A Difference Leadership Foundation NPC was formed in 2003 to realise this ambition to transform South Africa – one scholar at a time.
- k) TEST (The Tertiary Education Scholarship Trust) for Africa, based in Malawi, Tanzania and Uganda. In the late 1960s at Oxford University Keith Lloyd was at Linacre College, which was gender neutral with some 50% of the students from non-UK countries. Prof. Hagan was at Linacre at the same time and little did they know that they would meet again some 40 years later! The Linacre experience left them both with a profound sense of the value of education in future advancement of society. Almost 20 years ago, Keith and his wife, Marjorie, with the help of the UK government through the DFID scheme created a series of Scholarships (Norman & Ivy LLOYD and LLOYD Scholars) for very bright, financially needy African students to pursue one year Masters studies in subjects which would enhance the social and economic development of their countries of origin. Since then we have some 30 to 40 successful "sons and daughters" who are back in Africa making significant contributions to their communities.
- l) University of Hanoi (USSH), Vietnam has the mission of training high-quality and highly-skilled human resources; researching, creating and disseminating knowledge of Social sciences and Humanities, contributing to national construction and protection and international integration.

The characteristics of our partner charities are as follows:

- Our partner charities have effective presence in the countries in which they operate, and a working knowledge of their individual educational, political and economic settings.
- We have easy access to a named individual within our partner charity who is responsible for responding to our queries, allaying any concerns and is amenable to being guided in our ethos, requirements and targets.
- Our partners are financially stable, have other sources of income and are not dependent on our funding.
- Our partners participate in our interactive sessions and celebrate the success of our mentees.
- Our partner charities actively participate in recommending and recruiting suitable mentors, who are familiar with their region or country of operation.

Objectives and activities

a. A summary of the objects of the charity as set out in its governing document

A summary of the objects of the charity as set out in its governing document.

The Trust deed of the charity was created on 1 February 2011 on funds settled by Michael Francis Geoghegan, the first three trustees being named as Jania Geoghegan, Maya Sanbar and Amrit Singh. The Trust deed outlines the objectives of the charity, the powers of the trustees and procedures for their appointment, rules for the proceedings of trustees and their procedural powers, requirements for records and accounts and procedures for the amalgamation and dissolution of the charity.

The objectives of the charity are the advancement of education and the relief of poverty by the provision of funds and financial assistance to educational and other projects anywhere in the world, but with a particular focus on Africa and the developing world.

Selected projects should aim to improve education, relieve poverty and improve the conditions for socially and economically disadvantaged people and communities.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

b. Public benefit that is provided by the charity

Throughout the financial year the main objective of the charity continued to be to identify young people in the developing world and support them through their education.

The charity believes that the provision of a support structure to ensure that a young person receives an adequate education is a very important step in ensuring that a young person, their family and ultimately their community can lift themselves out of poverty.

The trustees of the charity have been directly involved in mentoring selected individuals so that they can assist them with their paths and ensure, as far as possible, that the recipients use their talents and education for the benefit of their native country.

In framing the objectives of the charity, the trustees have had regard to the general guidance issued by the Charity Commission on public benefit, including guidance on the prevention and relief of poverty for the public benefit.

c. The charity's aims including the changes or differences it seeks to make through its activities

The charity's vision is to develop future leaders of the developing world. This will be achieved by providing educational funding for disadvantaged young people with leadership ability and providing individually tailored support for their development, encouraging an open mentoring relationship to boost their confidence and creating an avenue for exploring the opportunities open to them.

The charity is committed to providing access to education for the young people in its programme by paying school and tertiary education fees. In addition, the charity will provide ancillary services to the Mentees such as books, uniforms and travel and subsistence allowances to bridge the gap between school and university and facilitate work experience in any gap year periods.

In order to maximise the benefit of any education that it provides, the charity believes that mentoring and guidance is an important part of the education process. The charity also aims to provide Mentees with access to a Mentor who will offer long term support, guidance and encouragement to enable Mentees to pursue their personal goals and ambitions.

The charity has a wide discretion in its powers and can help the education process in several ways. This could also include assisting and funding research to create an economic plan for a country, provide funds for the education of potential leaders, as well as helping build the educational structure in third world countries.

d. An explanation of the charity's main objectives for the year

During 2021 the objective of the charity remained to expand its base of mentors and to develop and strengthen links with sponsoring partners with the aim of increasing the number of children receiving educational support.

The charity has also actively looked to strengthen the administration, mentoring offering and marketing of the charity.

e. An explanation of the charity's strategies for achieving its stated objectives

The Madrinha Trust plans to spend its endowment over 20 years in line with its Development Plan. This plan outlines the charity's strategies for achieving its stated objectives that have been followed during the year which broadly are:

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

1. Find suitable beneficiaries

Following approvals made at Trustee meetings the charity has supported or will provide support to a total of 90 Mentees whose educational expenditure has been approved.

The Mentees of the Trust:

- are High Achievers who very often have no positive role models within their local communities.
- are from disadvantaged backgrounds and often the first within their families to aspire to higher education. Without the Trust support, they will be unlikely to further their education in spite of having great potential.
- have the potential to become leaders in various fields and within their communities. Our mentors continue to guide them to recognise this potential and fulfil it.
- have strong commitments to give back and 'pay forward' to their communities and to contribute to making the wider world better for others. Accepting a mentored funding agreement which incorporates a strong personal statement of 'give-back commitment' is essential to the commencement and continuation of our relationship.
- are able and willing to communicate their needs, goals (short, medium and long) and their challenges to their mentors. Their mentors will keep working with them to find suitable solutions.

2. Mentor the beneficiaries

Before the approval of any financial support the Mentees have to agree to participation in the mentoring process. Each of the approved mentees has been allocated a Mentor and the communication and support process has started.

To ensure that the Mentees are paired with a Mentor from whom they can benefit and to ensure the ongoing quality of the Mentoring process, the charity holds regular Mentoring workshops. The sessions sometimes involve the participation of other Mentoring charities with the objective of this collaboration being to help the Madrinha Trust develop its own best practice and provide the opportunity for the Mentors to share and learn from each other's successes.

The overall objective remains to ensure that Mentors are paired with a suitable Mentees and to coach the skills required to be a successful Mentor, the records that need to be kept of communications, guidelines for Mentees, evaluation techniques and how to report success.

Madrinha places great value on the role of Mentor being performed to as high a standard as possible to ensure that the process is carried out for the maximum benefit of Mentees. Therefore, a Mentoring handbook has been published and is issued to all Mentors. The Mentoring handbook contains the Madrinha Trust's core values, the roles and responsibilities of Mentors, rights and responsibilities of Mentees, steps in the mentoring process, record keeping requirements, the requirement for a filter in the mentoring process, tips on letter writing and developing relationships as well as guidance in the case of problems.

The charity now has 68 Mentors and to help with the administration process and in addition to the Mentoring handbook has issued a Mentoring summary, five mentoring tools as well as developing a Mentoring agreement to ensure that all parties are clear what is expected of them.

- Our mentors are professionals in various fields who understand the value of their gift of time to support a mentee.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

- They have an affinity for either the mentee's country, subject of study or aspirations; very often all three.
 - Our mentors have an understanding of the mentees' circumstances, environment, and educational system and are empathetic.
 - Our mentors attend interactive sessions and actively strive to understand and mentor in line with the Trust's ethos.
 - Our mentors often have language skills that make communicating with the mentees both easier and more enjoyable for the mentee.
3. Complete its mission
- Madrinha will create an alumni association for its "graduates" who have completed the formal period of education and mentoring.
 - It will hold a webinar every alumnus can share experiences and ideas.
 - It will create on-line closed communications for Mentees and for Mentors.
 - Madrinha will take on sufficient beneficiaries so that its funds are mainly used up by 2030.
 - At this stage the alumni association could appeal to alumni to maintain their association from their own contributions and offer their services as mentors through and for other organisations.
4. Marketing the charity

The charity has been marketed by:

- Use of its website with Mentor profiles and videos from Mentees. the address is www.madrinha-trust.org
- A Facebook page.
- A LinkedIn page with connections to mentees, mentors and "on the ground co-ordinators".
- A regular Madrinha trust newsletter issued to Mentees, Mentors and supporters of the charity.
- An annual report detailing the work of the charity during the year.

Achievements and performance

a. Charitable activities during the year

Applications have now been considered and approved from 71 Mentees in 11 countries. Future commitments, approved to be paid out over a maximum period of five years, stood at £557,755 at 31 December 2021 (2020: £502,000).

A total of £179,870 (2020: £261,000) was committed to during 2021 bringing total costs for educational fees and other support to £1,642,585.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

b. Fundraising activities

During the course of the year the charity has continued to be funded by the original expendable endowment of a gift of shares given by Mr M F Geoghegan. During the year, an additional loan of £1m was given to the charity by Mr M F Geoghegan.

c. Investment performance achieved against investment objectives set

The trustees have adopted a statement of investment principles which are described in the section of the trustees' report relating to investment policies and objectives.

The market investments are held by Veritas Investment Management LLP who issue a monthly valuation report. In addition, the charity Treasurer and a trustee hold a meeting with Veritas Investment Management LLP on an annual basis unless circumstances require greater frequency.

Financial review

a. Policies on reserves

The Charity created a designated reserve to support educational expenditure in South Africa that is included within unrestricted income funds. This reserve was established following a separate receipt of HSBC shares from Education Africa. The fund will be expended in line with the expected twenty year life of the charity's original endowment.

At the end of December 2021, the Charity has £803,842 (2020: £758,036) of funds and has powers in its trust deed to use its capital over the lifespan of the charity (expected to be twenty years) to support its charitable aims.

b. Principal funding sources and how expenditure in the year under review has supported the key objectives of the charity

The charity has also been funded, as permitted in its trust deed, primarily by drawing down cash from the investment portfolio managed by Veritas Investment Management LLP which has been used to support the charity's activities during the year. By the end of December 2021, a total of £2,132,000 (2020: £1,835,000) had been drawn down from Veritas.

c. The investment policy and objectives, including the extent (if any) to which social, environmental or ethical considerations are taken into account

1. Background

The Charity is an unincorporated charity, given initial funding in the form of £1.9m in HSBC shares donated by Mr M F Geoghegan.

The shares were immediately put into an investment fund held by SEI Investments (Europe) Ltd and managed by Veritas Investment Management LLP, who actively manage the share portfolio of the Charity.

Veritas Investment Management LLP issue a monthly share valuation and in addition the Charity Treasurer and Chairman hold meetings with the fund managers to discuss and review the charity's portfolio.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

During the course of the year the value of the funds under management increased from £1.229m to £2.255m. The performance is analysed in the table below.

	2021
	£
Brought forward	1,229
Purchases	925
Sales	(217)
Realised and unrealised gains	318
Carried forward	2,255

2. Investment Objectives

In order to guide the investment strategy, the board of trustees has adopted the following objectives with respect to investments:

- The day to day management of investments is undertaken by professional investment managers on a discretionary basis.
- The trust wishes to maximise the returns on all its investments, commensurate with its defined level of risk, whilst adhering to the general principles of trust law for charitable investment portfolios.

At 31 December 2021, 96% of the portfolio was held in equities, 4% in fixed interest securities and 0% in cash and cash equivalents.

3. Risk

The assets of the charity will be exposed to various financial risks. The board has considered the following risks when agreeing their strategy:

- The risk that investments will not deliver the increases in real capital or income values expected.
- The risk that the investment managers will not achieve the returns projected.

4. Investment Strategy

The strategy adopted is that:

- Investments are held to create real returns over the investment horizon of five years plus through both dividend and interest income and capital growth. The Development Plan assumes a real return of 2%.
- The trustees are willing to accept a medium risk approach in the achievement of their objectives.
- The long term indicative guideline asset allocation will be 60% equities and 40% bonds/ cash/ equivalents.
- There will be 18,000 HSBC shares included in the share portfolio.

5. Ethical Position

The charity has issued no ethical guidelines to Veritas Investment Management LLP.

THE MADRINHA TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6. Day to day management

The trustees have appointed Veritas Investment Management LLP as the investment manager to manage the trust's investment portfolio. The investment manager will exercise its investment powers to achieve the trust's objectives with the appropriate level of diversification as directed in section 3.12 of the Charitable Trust deed. In addition, the charity Treasurer and a trustee hold a meeting with Veritas Investment Management LLP on an annual basis unless circumstances require greater frequency.

d. Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

e. Transactions and Financial position

The Statement of Financial Activities shows net outgoing resources for the year of £272,268 (2020: £264,276) prior to net gains on investments of £318,074 (2020: £21,973), resulting in net incoming resources of £45,806 (2020: net outgoing resources of £242,303), of which £11,692 (2020: £330,813 outgoing) were attributable to the endowment fund and £34,114 (2020: £88,510 incoming) were attributable to general funds.

The total reserves at the period end after accounting for investment gains of £318,074 (2020: £21,973) stand at £803,842 (2020: £758,036).

Statement of Trustees' responsibilities

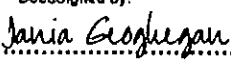
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

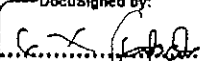
The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

.....
J Geoghegan

DocuSigned by:

.....
E Patsalos

2/9/2022

THE MADRINHA TRUST

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Independent examiner's report to the Trustees of The Madrinha Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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 (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:



Dated: 6/9/2022

Jeremy Tyrrell FCA

14-16 Downgate Hill

THE MADRINHA TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Endowment funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:					
Donations and legacies	3	-	-	-	50,000
Investments	4	5,039	-	5,039	7,920
Total income and endowments		5,039	-	5,039	57,920
Expenditure on:					
Raising funds	5	1,857	-	1,857	10,706
Charitable activities	6	-	275,450	275,450	311,490
Total expenditure		1,857	275,450	277,307	322,196
Net income/(expenditure) before net gains on investments					
		3,182	(275,450)	(272,268)	(264,276)
Net gains on investments		305,510	12,564	318,074	21,973
Net income/(expenditure)		308,692	(262,886)	45,806	(242,303)
Transfers between funds	17	(297,000)	297,000	-	-
Net movement in funds		11,692	34,114	45,806	(242,303)
Reconciliation of funds:					
Total funds brought forward		484,419	273,617	758,036	1,000,339
Net movement in funds		11,692	34,114	45,806	(242,303)
Total funds carried forward		496,111	307,731	803,842	758,036

The Statement of financial activities includes all gains and losses recognised in the year.

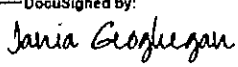
The notes on pages 15 to 28 form part of these financial statements.

THE MADRINHA TRUST

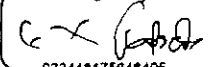
BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	10	2,255,146	1,229,431
		<u>2,255,146</u>	<u>1,229,431</u>
Current assets			
Debtors	11	6,406	10,754
Cash at bank and in hand		84,990	31,557
		<u>91,396</u>	<u>42,311</u>
Creditors: amounts falling due within one year	12	(1,271,504)	(345,463)
Net current liabilities		<u>(1,180,108)</u>	<u>(303,152)</u>
Total assets less current liabilities		<u>1,075,038</u>	<u>926,279</u>
Creditors: amounts falling due after more than one year	14	(271,196)	(168,243)
Total net assets		<u><u>803,842</u></u>	<u><u>758,036</u></u>
Charity funds			
Endowment funds	17	496,111	484,419
Unrestricted funds	17	307,731	273,617
Total funds		<u><u>803,842</u></u>	<u><u>758,036</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:


J Geoghegan

DocuSigned by:


E Patsalos

Date: 02 September 2022 | 12:41 AM PDT

The notes on pages 15 to 28 form part of these financial statements.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Madrinha Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared in Sterling and all amounts have been rounded to the nearest £.

Going concern

It is the opinion of the Trustees that the use of the going concern basis of accounting is appropriate because:

- there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the charity to continue as a going concern;
- there is reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, this being at least 12 months from the date on which the balance sheet was signed.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The charity is substantially funded by an expendable endowment and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

Investment income, gains and losses are allocated to the appropriate fund.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

Income

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 and grants receivable are taken into account when received by the charity. Income received in circumstances where a claim for repayment of tax has been made or will be made to HM Revenue and Customs is grossed up for the tax recoverable. Any amounts of tax reclaimed from HM Revenue and Customs but not yet received is shown within the charity's debtors.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either these 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 year..

Dividends are included in the income and expenditure account when they are disclosed on a statement of investment valuation, issued monthly by Veritas Investment Management LLP.

Expenditure

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, including irrecoverable VAT, is accounted for on an accruals basis. All expenses, including support and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

All expenditure is inclusive of irrecoverable VAT. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Interest receivable

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 institution with whom the funds are deposited.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Allocation of support and governance costs

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees together with an apportionment of overhead and support costs relating to trustees meetings..

Charitable activities

The expenditure on charitable activities includes grants made, governance costs and an apportionment of support costs as shown in the notes.

Unrealised and realised gains and losses

Realised gains and losses are included in the accounts on the date at which a contractual obligation is entered into.

Unrealised gains and losses are computed by reference to the market value of the investments at the balance sheet date, compared to the brought forward cost or valuation, and gains and losses arising on similar categories of investments are netted off.

Investments

Fixed asset investments are listed investments which have been included in the balance sheet at the value stated on the Veritas Investment Management LLP statement at 31 December, the last statement issued in each financial year. Investments are shown at the mid-market value.

Reserves

Any unrestricted funds held are regularly monitored with the intention of using them to forward the charity's objectives.

The reserves policy is regularly assessed by the trustees for appropriateness.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors and provisions are normally recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial. In such cases, creditors are stated at transaction value.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

Financial Instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment, where appropriate).

Grant making policy

The charity makes grants for educational expenditure to young people in the developing world, especially in Africa.

Either through recommendation from a sponsoring organisation or directly, candidates make an application to the charity which should include the ongoing costs of education. The candidates must agree to participate in the charity's mentoring process, to communicate with Mentors and record and share progress. Applications are subject to phone interviews, reviewed and approved at trustees meetings.

Grants to successful applicants are paid on production of supporting documentation for educational fees. Grants will be made to cover the full length of both secondary and post-secondary education and grants will be paid annually for as long as education continues. The performance grades of Mentees and commitment to the Mentoring process is monitored. A grant programme could be terminated for performance below the expected standard.

Educational grants are recognised in full in the accounts for the entire period of education to be supported at the time that the grant is approved by the trustees. Grants are paid annually with the amount paid being deducted from the total grant provision, any adjustment being made for changes to the total expected cost of education over the life of the grant. Should any student not finish the full period of education covered by the grant, any balance of grant provision will be written back to the accounts in the period in which the support ended.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. However, the trustees are of the opinion that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Grants	-	-
	<u> </u>	<u> </u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Grants	50,000	50,000
	<u> </u>	<u> </u>

4. Investment income

	Endowment funds 2021 £	Total funds 2021 £
Income from local listed investments	5,039	5,039
	<u> </u>	<u> </u>
	<i>Endowment funds 2020 £</i>	<i>Total funds 2020 £</i>
Dividends and interest	7,920	7,920
	<u> </u>	<u> </u>

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Investment management costs

	Endowment funds 2021 £	Total funds 2021 £
Investment management costs	1,857	1,857
	<u>1,857</u>	<u>1,857</u>

	<i>Endowment funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment management costs	10,706	10,706
	<u>10,706</u>	<u>10,706</u>

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £
Admin and office costs	3,199	3,199
Bank and other charges	1,481	1,481
Governance costs	7,296	7,296
Grants to individuals	232,238	232,238
IT and software costs	5,015	5,015
Salaries (incl. NI)	25,068	25,068
Travel and subsistence	785	785
Gifts and entertainment	368	368
	<u>275,450</u>	<u>275,450</u>
	<u>275,450</u>	<u>275,450</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Admin and office costs	9,952	9,952
Bank and other charges	2,971	2,971
Governance Costs	11,087	11,087
Grants to Individuals	261,235	261,235
IT and software costs	1,354	1,354
Salaries (incl. NI)	24,826	24,826
Travel and subsistence	65	65
Gifts and entertainment	-	-
	<u>311,490</u>	<u>311,490</u>
	<u>311,490</u>	<u>311,490</u>

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Governance costs

	Endowment Funds	Unrestricted Funds	Total Funds
	2021	2021	2021
	£	£	£
Accountancy and independent examination	-	7,296	7,296
	<u>-</u>	<u>7,296</u>	<u>7,296</u>
	<u><u>-</u></u>	<u><u>7,296</u></u>	<u><u>7,296</u></u>

	Endowment Funds	Unrestricted Funds	Total Funds
	2020	2020	2020
	£	£	£
Accountancy and Independent examination	-	10,997	10,997
Professional fees	-	90	90
	<u>-</u>	<u>11,087</u>	<u>11,087</u>
	<u><u>-</u></u>	<u><u>11,087</u></u>	<u><u>11,087</u></u>

THE MADRINHA TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****8. Staff costs**

	2021	2020
	£	£
Wages and salaries	23,625	22,724
Social security costs	1,023	1,698
Contribution to defined contribution pension schemes	420	404
	<u>25,068</u>	<u>24,826</u>

The average number of persons employed by the Charity during the year was as follows:

	2021	2020
	No.	No.
Administration and support	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

10. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	1,229,431
Additions	925,000
Disposals	(217,358)
Revaluations	318,073
At 31 December 2021	<u>2,255,146</u>
Net book value	
At 31 December 2021	<u>2,255,146</u>
At 31 December 2020	<u>1,229,431</u>

THE MADRINHA TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Breakdown of gains/ (losses)

	2021	2020
	£	£
Realised gains/ (losses)	20,508	3,932
Unrealised gains/ (losses)	297,567	18,041
	<u>318,075</u>	<u>21,973</u>

11. Debtors

	2021	2020
	£	£
Due within one year		
Other debtors	327	498
Prepayments and accrued income	6,079	10,256
	<u>6,406</u>	<u>10,754</u>

12. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	4,253	5,868
Other creditors	1,000,000	-
Accruals	267,251	339,595
	<u>1,271,504</u>	<u>345,463</u>

Other creditors represents an interest free loan received from Michael Geoghegan during the year. The loan is repayable on demand.

13. Accruals: Amounts falling due within one year

Accrued educational expenses	256,295	327,713
Other accrued expenses	10,956	11,882
	<u>267,251</u>	<u>339,595</u>

THE MADRINHA TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****14. Creditors: Amounts falling due after more than one year**

	2021	2020
	£	£
Accruals and deferred income	271,196	168,243
	<u>271,196</u>	<u>168,243</u>

Accrued educational expenses have been calculated at amortised cost using a discount rate of 3%.

15. Financial instruments

	2021	2020
	£	£
Financial assets		
Financial assets measured at fair value through Income and expenditure	2,255,146	1,229,431
	<u>2,255,146</u>	<u>1,229,431</u>

Financial assets measured at fair value through income and expenditure comprise the charity's investment portfolio.

16. Related party transactions

During the year an interest free loan of £1 million was received from Michael Geoghegan, who is related to Jania Geoghegan who acted as trustee during the year, details of this loan are disclosed as part of note 12. There were no other related party transactions during the year.

THE MADRINHA TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****17. Statement of funds****Statement of funds - current year**

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Designated Fund	68,193	-	(29,737)	29,737	12,564	80,757
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
General funds						
General Funds	205,424	-	(245,713)	267,263	-	226,974
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted funds	273,617	-	(275,450)	297,000	12,564	307,731
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Endowment funds						
Endowment Fund	484,419	5,039	(1,857)	(297,000)	305,510	496,111
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	758,036	5,039	(277,307)	-	318,074	803,842
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The endowment fund is expendable and represents a gift of shares by Mr M F Geoghegan. It is to be spent on the provision of grants to mentees taking part in the charity's sponsorship and support programmes.

The designated fund represents an initial transfer of shares in HSBC and is to be spent on educational projects over the remaining life of the trust.

THE MADRINHA TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2020 £</i>
Unrestricted funds						
General Funds	185,107	50,000	(311,490)	350,000	-	273,617
Endowment funds						
Endowment Fund	815,232	7,920	(10,706)	(350,000)	21,973	484,419
Total of funds	<u>1,000,339</u>	<u>57,920</u>	<u>(322,196)</u>	<u>-</u>	<u>21,973</u>	<u>758,036</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Fixed asset investments	488,114	1,767,032	2,255,146
Current assets	7,997	83,399	91,396
Creditors due within one year	-	(1,271,504)	(1,271,504)
Creditors due in more than one year	-	(271,196)	(271,196)
Total	<u>496,111</u>	<u>307,731</u>	<u>803,842</u>

THE MADRINHA TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****18. Analysis of net assets between funds (continued)****Analysis of net assets between funds - prior year**

	<i>Endowment funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Fixed asset investments	474,963	754,468	1,229,431
Current assets	9,456	32,855	42,311
Creditors due within one year	-	(345,463)	(345,463)
Creditors due in more than one year	-	(168,243)	(168,243)
Total	484,419	273,617	758,036

THE MADRINHA TRUST

England & Wales - Charity number 1140672

Accounts

**THE MADRINHA TRUST
ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2020**

Charity number: 1140672

THE MADRINHA TRUST
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THE MADRINHA TRUST**REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2020**

Directors and Trustees	J Geoghegan C Chanda W Dear M S Jarno S C Mckeand-Han T Morrell E Patsalos C V Pocock G C Sims A Singh
Registered Office	c/o McBrides Accountants LLP Nexus House 2 Cray Road Sidcup, Kent DA14 5DA
Charity number	1140672
Bankers	HSBC Church Street Weybridge, Surrey KT13 8DF
Solicitors	Thomson Snell & Passmore 3 Lonsdale Gardens Tunbridge Wells, Kent TN1 1NX
Investment advisors	Veritas Investment Management LLP 90 Long Acre London WC2E 9RA
Independent Examiner	McBrides Accountants LLP Nexus House 2 Cray Road Sidcup, Kent DA14 5DA

THE MADRINHA TRUST**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees of The Madrinha Trust present their report as Trustees together with the financial statements for the year ended 31 December 2020 as required by Charity regulations and legislation.

Structure, Governance and Management***Nature of the Governing Document and constitution of the charity***

The Madrinha Trust is registered as a charity with the Charity Commission in England and Wales (Charity Registration No. 1140672) and is governed by a trust deed. Eligibility for membership of the charity, and membership of the board of trustees is governed by the trust deed. There are no restrictions in the governing document on the operation of the charity or on its investment powers, other than those imposed by general charity law.

The Trustees

The trustees who served the charity during the year were as follows:

Jania Geoghegan (Chairman)
Graham Sims (Deputy Chairman)
Sean Vickers (Hon Treasurer)
Sui Chin McKeand-Han (Legal Advisor)
Dr Casmir Chanda
Will Dear
Ellie Patsalos
Caroline Pocock
Maya Sanbar Jamo
Amrit Singh

All trustees give their time freely and no trustee remuneration was paid in the year.

The methods adopted for the recruitment and appointment of new trustees

The minimum number of trustees for the charity is three. Any additional trustees must be appointed by resolution of the Trustees and must indicate their willingness to act as a trustee of the Charity before he or she may act as a trustee.

The policies and procedures adopted for the induction and training of trustees

There is no formal procedure for the induction and training of trustees laid down in the Trust deed. Trustees will have long standing business experience or direct experience of charitable education provision in the developing world. All trustees will be given and directed to guidance for trustees issued by the Charities Commission in order to help them understand their duties and responsibilities as a trustee of the charity.

The organisational structure of the charity and how decisions are made

The Trust is managed by Trustees. The Trust deed stipulates that at least two meetings are held per year. During 2020 there were three trustee meetings held.

The Trustees have procedural powers in relation to decision making to:

- a) Appoint a Chairman, Treasurer and other honorary officers.
- b) To delegate any of their functions to a committee, which must consist of two or more persons, the majority of which must also be trustees.
- c) To make rules to govern the proceedings of trust meetings and committees.
- d) To make regulations to govern the administration of the Charity including the use and application of the income, property and funds, the operation of bank accounts and the commitment of funds.

THE MADRINHA TRUST**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020*****The organisational structure of the charity and how decisions are made (continued)***

The following officers are currently in place; Chairman, Treasurer and legal advisor who all support and advise the Trustees. Decisions at Trustee meetings are determined by a simple majority of the votes cast at a meeting of the Trustees.

The major risks to which the charity is exposed and reviews and systems to mitigate risks

The trustees identify the major risks to which the charity is exposed each financial year when preparing and updating a strategic plan, in particular those related to the operations and finances of the charity. The trustees then review any major risks, which have been identified, and establish systems to mitigate those risks. The charity is satisfied that the systems are in place to mitigate their exposure to the major risks, which have been so identified and reviewed.

Financial Risk Management Objectives and Policies

The main financial risks arising from the charities activities are credit, liquidity, fraud and price risk.

Price Risk

The charity is not subject to any price risk.

Credit Risk

The charity does not hold any material balance sheet positions with regards to donations receivable and so does not consider credit risk a material risk.

Liability Risk

The charity does not hold any material day to day liabilities on its balance sheet and always tries to settle any amounts owed to its creditors within the period of credit given of 30 days.

Cash Flow Risk

The charity prepares regular forecasts and reports to its members on a quarterly basis. The board of trustees approve the forecasts and signs off the year end accounts. The charity understands its cash flow requirements and its policy is to maintain sufficient funds in a liquid form at all times to ensure that the charity can meet its liabilities as they fall due. The charity is not reliant on grants and donations.

Other risks

The charity is not exposed to risks involved in fundraising because its activities are supported by income from investment capital.

The charity is exposed to risk from misappropriation of funds or mismanagement of its investments but has made contracts with Veritas Investment Management LLP and SEI Investments (Europe) Ltd in which any loss caused by them in this manner would constitute a breach and be remediable in law.

The charity is exposed to misappropriation of grants. It controls this by seeking receipts and verifying use of funds wherever possible, for example, by attendance reports from the school that a student has attended.

Relationships with other groups, charities and individuals

The charity recognises that there is much activity already in the area of improving education in the developing world. The Madrinha Trust aims to complement rather than compete with existing organisations and as stated in the charity's development plan aims to ensure that funds are not spent on any infrastructure costs of those organisations and that funds are additional to rather than a replacement of existing funds.

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Relationships with other groups, charities and individuals (continued)

Up to the end of 2020 the Charity had established relationships with 12 other charitable organisations through which grants to Mentees are made. The relationships currently existent are:

- a) Tana River Life Foundation (TRLF) is a Charitable Trust set up by Gabriel Teo Kian Chong on 13th December 2005 in Mombasa, Kenya. Gabriel has been living and working in Tana River District, Kenya since 1995. The Foundation was set up with the objective of assisting the marginalized through education and acquisition of livelihood skills.
- b) Al-Quds Foundation for Medical Schools in Palestine (FQMS) was formed in 1997 as a UK registered charity to support medical education in Palestine.
- c) KHULA (formerly the David Rattray Foundation) which means to Grow or to Prosper. The David Rattray Foundation was founded originally in 2007. KHULA works closely with communities and schools in Umzinyathi District of KwaZulu Natal, South Africa in providing the resources, skills and opportunities that the pupils need to succeed in life.
- d) Rwanda Aid operates in the remote south-west of Rwanda, in the districts of Rusizi and Nyamasheke. The aim is to support the vulnerable and disadvantaged, especially children, helping them to develop the skills and knowledge to build a better future for themselves, their families and their community.
- e) The Himalayan Youth Foundation (HYF) works to improve the education, health and living conditions of orphaned, semi-orphaned and disadvantaged children and young people aged 6 - 25 living in the Himalayan region.
- f) Kenya Kesho is a very small educational charity having a huge impact on a very local, disadvantaged community in Kwale County of Southern Kenya. Kwale County came second to bottom in the national educational league tables in the latest National assessments
- g) Commonwealth Girls Education Fund (CGEF), based in the United Kingdom, provides sponsorship grants to girls for secondary or high school education where this otherwise might not be possible.
- h) Ada College of Education, based in Ghana, is part of the 38 public Colleges of Education scattered throughout the country. The school is under the ministry of education and admission into the school is structured and supervised by the principals of colleges of education (princof). It was formerly called Ada Teacher Training College, established in 1965. Located at Ada Foe in the Greater Accra Region it is one of the two Colleges of Education in the Greater Accra Region, which is responsible for training Professional Teachers in the Basic Education Level. It is Accredited to the University of Cape Coast.
- i) Edu Fun, based in South Africa, is a volunteer-led non-for profit organisation working with the Diepsloot Combined School in the township of Diepsloot on the northern outskirts of Johannesburg, South Africa.
- j) Make A Difference Leadership Foundation (MAD Leadership Foundation), based in South Africa, shares a vision to develop academically talented scholars with leadership potential into future leaders for South Africa. Make A Difference Leadership Foundation NPC was formed in 2003 to realise this ambition to transform South Africa – one scholar at a time.
- k) TEST (The Tertiary Education Scholarship Trust) for Africa, based in Malawi, Tanzania and Uganda. In the late 1960s at Oxford University Keith Lloyd was at Linacre College, which was gender neutral with some 50% of the students from non-UK countries. Prof. Hagan was at Linacre at the same time and little did they know that they would meet again some 40 years later! The Linacre experience left them both with a profound sense of the value of education in future advancement of society. Almost 20 years ago, Keith and his wife, Marjorie, with the help of the UK government through the DFID scheme created a series of Scholarships (Norman & Ivy LLOYD and LLOYD Scholars) for very bright, financially needy African students to pursue one year Masters studies in subjects which would enhance the social and economic development of their countries of origin. Since then we have some 30 to 40 successful "sons and daughters" who are back in Africa making significant contributions to their communities.
- l) University of Hanoi (USSH), Vietnam has the mission of training high-quality and highly-skilled human resources; researching, creating and disseminating knowledge of Social sciences and Humanities, contributing to national construction and protection and international integration.

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Relationships with other groups, charities and individuals (continued)

The characteristics of our partner charities are as follows:

- Our partner charities have effective presence in the countries in which they operate, and a working knowledge of their individual educational, political and economic settings.
- We have easy access to a named individual within our partner charity who is responsible for responding to our queries, allaying any concerns and is amenable to being guided in our ethos, requirements and targets.
- Our partners are financially stable, have other sources of income and are not dependent on our funding.
- Our partners participate in our interactive sessions and celebrate the success of our mentees.
- Our partner charities actively participate in recommending and recruiting suitable mentors, who are familiar with their region or country of operation.

Objectives and activities of the Charity

A summary of the objects of the charity as set out in its governing document.

The Trust deed of the charity was created on 1 February 2011 on funds settled by Michael Francis Geoghegan, the first three trustees being named as Jania Geoghegan, Maya Sanbar and Amrit Singh. The Trust deed outlines the objectives of the charity, the powers of the trustees and procedures for their appointment, rules for the proceedings of trustees and their procedural powers, requirements for records and accounts and procedures for the amalgamation and dissolution of the charity.

The objectives of the charity are the advancement of education and the relief of poverty by the provision of funds and financial assistance to educational and other projects anywhere in the world, but with a particular focus on Africa and the developing world.

Selected projects should aim to improve education, relieve poverty and improve the conditions for socially and economically disadvantaged people and communities

Public benefit that is provided by the charity

Throughout the financial year the main objective of the charity continued to be to identify young people in the developing world and support them through their education.

The charity believes that the provision of a support structure to ensure that a young person receives an adequate education is a very important step in ensuring that a young person, their family and ultimately their community can lift themselves out of poverty.

The trustees of the charity have been directly involved in mentoring selected individuals so that they can assist them with their paths and ensure, as far as possible, that the recipients use their talents and education for the benefit of their native country.

In framing the objectives of the charity, the trustees have had regard to the general guidance issued by the Charity Commission on public benefit, including guidance on the prevention and relief of poverty for the public benefit.

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The charity's aims including the changes or differences it seeks to make through its activities

The charity's vision is to develop future leaders of the developing world. This will be achieved by providing educational funding for disadvantaged young people with leadership ability and providing individually tailored support for their development, encouraging an open mentoring relationship to boost their confidence and creating an avenue for exploring the opportunities open to them.

The charity is committed to providing access to education for the young people in its programme by paying school and tertiary education fees. In addition, the charity will provide ancillary services to the Mentees such as books, uniforms and travel and subsistence allowances to bridge the gap between school and university and facilitate work experience in any gap year periods.

In order to maximise the benefit of any education that it provides, the charity believes that mentoring and guidance is an important part of the education process. The charity also aims to provide Mentees with access to a Mentor who will offer long term support, guidance and encouragement to enable Mentees to pursue their personal goals and ambitions.

The charity has a wide discretion in its powers and can help the education process in several ways. This could also include assisting and funding research to create an economic plan for a country, provide funds for the education of potential leaders, as well as helping build the educational structure in third world countries.

An explanation of the charity's main objectives for the year

During 2020 the objective of the charity remained to expand its base of mentors and to develop and strengthen links with sponsoring partners with the aim of increasing the number of children receiving educational support.

The charity has also actively looked to strengthen the administration, mentoring offering and marketing of the charity.

An explanation of the charity's strategies for achieving its stated objectives

The Madrinha Trust plans to spend its endowment over 20 years in line with its Development Plan. This plan outlines the charity's strategies for achieving its stated objectives that have been followed during the year which broadly are:

1. Find suitable beneficiaries

Following approvals made at Trustee meetings the charity has supported or will provide support to a total of 90 Mentees whose educational expenditure has been approved.

The Mentees of the Trust:

- are High Achievers who very often have no positive role models within their local communities.
- are from disadvantaged backgrounds and often the first within their families to aspire to higher education. Without the Trust support, they will be unlikely to further their education in spite of having great potential.
- have the potential to become leaders in various fields and within their communities. Our mentors continue to guide them to recognise this potential and fulfil it.
- have strong commitments to give back and 'pay forward' to their communities and to contribute to making the wider world better for others. Accepting a mentored funding agreement which incorporates a strong personal statement of 'give-back commitment' is essential to the commencement and continuation of our relationship.

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

An explanation of the charity's strategies for achieving its stated objectives (continued)

- are able and willing to communicate their needs, goals (short, medium and long) and their challenges to their mentors. Their mentors will keep working with them to find suitable solutions.

2. Mentor the beneficiaries

Before the approval of any financial support the Mentees have to agree to participation in the mentoring process. Each of the approved mentees has been allocated a Mentor and the communication and support process has started.

To ensure that the Mentees are paired with a Mentor from whom they can benefit and to ensure the ongoing quality of the Mentoring process, the charity holds regular Mentoring workshops. The sessions sometimes involve the participation of other Mentoring charities with the objective of this collaboration being to help the Madrinha Trust develop its own best practice and provide the opportunity for the Mentors to share and learn from each other's successes.

The overall objective remains to ensure that Mentors are paired with a suitable Mentees and to coach the skills required to be a successful Mentor, the records that need to be kept of communications, guidelines for Mentees, evaluation techniques and how to report success.

Madrinha places great value on the role of Mentor being performed to as high a standard as possible to ensure that the process is carried out for the maximum benefit of Mentees. Therefore, a Mentoring handbook has been published and is issued to all Mentors. The Mentoring handbook contains the Madrinha Trust's core values, the roles and responsibilities of Mentors, rights and responsibilities of Mentees, steps in the mentoring process, record keeping requirements, the requirement for a filter in the mentoring process, tips on letter writing and developing relationships as well as guidance in the case of problems.

The charity now has 78 Mentors and to help with the administration process and in addition to the Mentoring handbook has issued a Mentoring summary, five mentoring tools as well as developing a Mentoring agreement to ensure that all parties are clear what is expected of them.

- Our mentors are professionals in various fields who understand the value of their gift of time to support a mentee.
- They have an affinity for either the mentee's country, subject of study or aspirations; very often all three.
- Our mentors have an understanding of the mentees' circumstances, environment, and educational system and are empathetic.
- Our mentors attend interactive sessions and actively strive to understand and mentor in line with the Trust's ethos.
- Our mentors often have language skills that make communicating with the mentees both easier and more enjoyable for the mentee.

3. Complete its mission

- Madrinha will create an alumni association for its "graduates" who have completed the formal period of education and mentoring.
- It will hold a webinar every alumnus can share experiences and ideas.
- It will create on-line closed communications for Mentees and for Mentors.
- Madrinha will take on sufficient beneficiaries so that its funds are mainly used up by 2030.

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

An explanation of the charity's strategies for achieving its stated objectives (continued)

- At this stage the alumni association could appeal to alumni to maintain their association from their own contributions and offer their services as mentors through and for other organisations.

4. Marketing the charity

The charity has been marketed by:

- Use of its website with Mentor profiles and videos from Mentees. the address is www.madrinha-trust.org
- A Facebook page.
- A LinkedIn page with connections to mentees, mentors and "on the ground co-ordinators".
- A regular Madrinha trust newsletter issued to Mentees, Mentors and supporters of the charity.
- An annual report detailing the work of the charity during the year.

Charitable activities during the year

Applications have now been considered and approved from 90 Mentees in 12 countries. Future commitments, approved to be paid out over a maximum period of six years, stood at £502,000 (£673,000) at 31 December 2020.

A total of £261,000 (2019: £562,000) was committed to during 2020 bringing total costs for educational fees and other support to £1,229,000.

A review of charitable activities undertaken by the charity

Fundraising activities

During the course of the year the charity has continued to be funded by the original expendable endowment of a gift of shares given by Mr M F Geoghegan.

Investment performance achieved against investment objectives set

The trustees have adopted a statement of investment principles which are described in the section of the trustees' report relating to investment policies and objectives.

The market investments are held by Veritas Investment Management LLP who issue a monthly valuation report. In addition, the charity Treasurer and a trustee hold a meeting with Veritas Investment Management LLP on an annual basis unless circumstances require greater frequency.

Financial Review

Policies on reserves

The Charity created a designated reserve to support educational expenditure in South Africa that is included within unrestricted income funds. This reserve was established following receipt of 40,000 HSBC shares from Education Africa with a value of £203,800. The fund will be expended in line with the expected twenty-year life of the charity's original endowment.

At the end of December 2020, the Charity has £758,036 (2019: £1.000m) of funds and has powers in its trust deed to use its capital over the lifespan of the charity (expected to be twenty years) to support its charitable aims.

Principal funding sources and how expenditure in the year under review has supported the key objectives of the charity.

The charity has also been funded, as permitted in its trust deed, primarily by drawing down cash from the investment portfolio managed by Veritas Investment Management LLP which has been used to support the charity's activities during the year. By the end of December 2020, a total of £1,835,000 (2019: £1,485,000) had been drawn down from Veritas.

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The investment policy and objectives, including the extent (if any) to which social, environmental or ethical considerations are taken into account

1. Background

The Charity is an unincorporated charity, given initial funding in the form of £1.9m in HSBC shares donated by Mr M F Geoghegan.

The shares were immediately put into an investment fund held by SEI Investments (Europe) Ltd and managed by Veritas Investment Management LLP, who actively manage the share portfolio of the Charity.

Veritas Investment Management LLP issue a monthly share valuation and in addition the Charity Treasurer and Chairman hold meetings with the fund managers to discuss and review the charity's portfolio.

During the course of the year the value of the funds under management decreased from £1.570m to £1.239m. The performance is analysed in the table below.

	2020	2019
	£	£
Brought forward	1,570	1,777
Income	8	35
Investment charges paid from fund	(11)	(23)
Realised and unrealised gains	22	201
Transfer to HSBC bank account	(350)	(420)
Carried forward	1,239	1,570

2. Investment Objectives

In order to guide the investment strategy, the board of trustees has adopted the following objectives with respect to investments:

- The day to day management of investments is undertaken by professional investment managers on a discretionary basis.
- The trust wishes to maximise the returns on all its investments, commensurate with its defined level of risk, whilst adhering to the general principles of trust law for charitable investment portfolios.

At 31 December 2020, 94% of the portfolio was held in equities, 5% in fixed interest securities and 1% in cash and cash equivalents.

3. Risk

The assets of the charity will be exposed to various financial risks. The board has considered the following risks when agreeing their strategy:

- The risk that investments will not deliver the increases in real capital or income values expected.
- The risk that the investment managers will not achieve the returns projected.

THE MADRINHA TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

4. Investment Strategy

The strategy adopted is that:

- Investments are held to create real returns over the investment horizon of five years plus through both dividend and interest income and capital growth. The Development Plan assumes a real return of 2%.

The gross annual nominal return in the 12 months to December 2020 was 0.64%. The nominal return was (0.22%) net of Veritas charges.

- The trustees are willing to accept a medium risk approach in the achievement of their objectives.
- The long term indicative guideline asset allocation will be 60% equities and 40% bonds/cash/equivalents.
- There will be 18,000 HSBC shares included in the share portfolio.

5. Ethical Position

The charity has issued no ethical guidelines to Veritas Investment Management LLP.

6. Day to day management

The trustees have appointed Veritas Investment Management LLP as the investment manager to manage the trust's investment portfolio. The investment manager will exercise its investment powers to achieve the trust's objectives with the appropriate level of diversification as directed in section 3.12 of the Charitable Trust deed. In addition, the charity Treasurer and a trustee hold a meeting with Veritas Investment Management LLP on an annual basis unless circumstances require greater frequency.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Transactions and Financial position

The Statement of Financial Activities shows net outgoing resources for the year of a revenue nature of £261,490 (2019: £567,118 outgoing) and net outgoing resources of a capital nature (expendable endowment) of £2,786 (2019: £12,005 incoming), making net overall realised outgoing resources of £264,276 (2019: £555,113 outgoing).

The total reserves at the period end after accounting for investment gains of £21,973 (2019: £200,909 loss) stand at £758,036 (2019: £1,000,339).

As the charity has the powers to use capital to support its charitable aims there is no need for it to hold any liquid or cash assets in the unrestricted fund as a reserve to support on-going costs of the charity. Therefore, free unrestricted liquid reserves amounted to £nil (2019: £nil).

Specific changes in fixed assets

There are no fixed assets held by the Charity.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' Responsibilities

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

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

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

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Signed on behalf of the charity's trustees



J Geoghegan
Trustee

E Patsalos
Trustee



Approved by the trustees on 5 July 2021

THE MADRINHA TRUST

INDEPENDENT EXAMINER'S REPORT

I report to the trustees on my examination of the financial statements of The Madrinha Trust ('the charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of the trustees and examiner

The charity's Trustees are responsible for the preparation of financial statements. 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. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements 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.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.


A Warren, FCA

For and on behalf of McBrides Accountants LLP, Nexus House, 2 Cray Road, Kent, DA14 5DA

Date: 6/7/21

THE MADRINHA TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020
(including the Income and Expenditure Account)

	Notes	Unrestricted funds £ 2020	Endowment funds £ 2020	Total Funds £ 2020	Total Funds £ 2019
INCOME					
Income from charitable activities					
<i>Grants</i>	2a	50,000	-	50,000	50,000
Income from investments	2b	-	7,920	7,920	35,338
Other income		-	-	-	-
Total income		50,000	7,920	57,920	85,338
EXPENDITURE					
Investment management costs		-	10,706	10,706	23,329
Expenditure on charitable activities	3a	311,490	-	311,490	617,122
Total expenditure		311,490	10,706	322,196	640,451
Net income/(expenditure) before transfers between funds		(261,490)	(2,786)	(264,276)	(555,113)
Gross transfers between funds	8	350,000	(350,000)	-	-
Net income/(expenditure) before gains and losses on investments		88,510	(352,786)	(264,276)	(555,113)
Net gains/(losses) on investments	7b	-	21,973	21,973	200,909
NET MOVEMENT IN FUNDS		88,510	(330,813)	(242,303)	(354,204)
Fund balances brought forward		185,107	815,232	1,000,339	1,354,543
Fund balances carried forward		273,617	484,419	758,036	1,000,339

All the above results are derived from continuing activities. There are no other gains or losses other than those shown above.

The notes set out on pages 15 to 22 form part of these accounts.

THE MADRINHA TRUST

14.

BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £
FIXED ASSETS				
Investments	7		1 238 887	1 569 698
			<u>1 238 887</u>	<u>1 569 698</u>
CURRENT ASSETS				
Debtors	9	10 754		19 958
Cash at bank and in hand		22 101		96 023
		<u>32 855</u>		<u>115 981</u>
CREDITORS: Amounts falling due within one year	10	<u>(345 463)</u>		<u>(367 773)</u>
NET CURRENT LIABILITIES			(312 608)	(251 792)
Creditors: Amounts falling due greater than one year	11		(168 243)	(317 567)
NET ASSETS			<u>758 036</u>	<u>1 000 339</u>
FUNDS				
General unrestricted fund	12		273 617	185 107
Endowment funds	12		484 419	815 232
			<u>758 036</u>	<u>1 000 339</u>

The accounts were approved by the Board of Trustees on 5 July 21 and signed by


J Geoghegan
Trustee

E Patsalos
Trustee



The notes set out on pages 15 to 22 form part of these accounts.

THE MADRINHA TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with 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 (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and applicable regulations. The financial statements are prepared to the nearest £1.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Madrinha Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The following are the accounting policies which have been applied in dealing with material items: -

a) Going concern:

It is the opinion of the Trustees that the use of the going concern basis of accounting is appropriate because:

- there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the charity to continue as a going concern;
- there is reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

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. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

The Charity is substantially funded by an expendable endowment of HSBC shares with an initial value of £1,879,705 and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A second tranche of HSBC shares with a value of £222,079 have also been transferred to the charity by Education for Africa following the charity closing at the end of 2011. The charity worked in South Africa and a designated unrestricted income fund of £203,800 has subsequently been set up for educational expenditure in South Africa. The whole of the fund has been allocated to Mentees at the end of December 2020.

The trustees have the power to use the capital of the endowment to further the charitable aims of the Trust and these two funds are deemed sufficient to ensure that the charity can fulfil its purpose.

Further details of each fund are disclosed in the notes.

c) Incoming resources:

Donated income and grants receivable are taken into account when received by the charity. Income received in circumstances where a claim for repayment of tax has been made or will be made to H M Revenue and Customs is grossed up for the tax recoverable. Any amount of tax reclaimed from H M Revenue and Customs but not yet received is shown within the charity's debtors.

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

THE MADRINHA TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (Continued)

d) Incoming resources (continued)

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

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

Dividends are included in the income and expenditure account when they are disclosed on a statement of investment valuation, issued monthly by Veritas Investment Management LLP

e) Resources expended:

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, including irrecoverable VAT, is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. For more information on this allocation refer to note (f) below.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

f) Irrecoverable VAT:

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

g) Allocation of support and governance costs:

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs relating to Trustee meetings.

h) Charitable activities:

The expenditure on charitable activities includes grants made, governance costs and an apportionment of support costs as shown in the notes.

i) Unrealised and realised gains

Realised gains and losses are included in the accounts on the date at which a contractual obligation is entered into.

Unrealised gains and losses are computed by reference to the market value of the investments at the balance sheet date, compared to the brought forward cost or valuation, and gains and losses arising on similar categories of investments are netted off.

j) Investments

Listed investments have been included in the balance sheet at the value included on the Veritas Investment Management LLP statement as at 31 December 2020, the last statement issued before the end of the financial year. Investments are shown at the mid-market value.

THE MADRINHA TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (Continued)

k) Reserves

The regular, unrestricted income is sufficient to cover the day to day running of the charity, whilst the expenditure relating to specific projects are covered through restricted funds.

Any unrestricted funds held are regularly monitored with the intention of using them to forward the charity's objectives.

The reserve policy is regularly assessed by the trustees for appropriateness.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial. In such cases creditors are stated at the transaction value.

o) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as financial assets or financial liabilities. The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial, in which case they are stated at cost (less impairment where appropriate).

p) Grant making policy

The charity makes grants for educational expenditure to young people in the developing world, especially Africa.

Either through recommendation from a sponsoring organisation or directly candidates make an application to the charity which should include the on-going cost of education. The candidates must agree to participate in the charity's mentoring process, to communicate with Mentors and record and share progress. Applications are subject to phone interviews, reviewed and approved at trustee meetings.

Grants to successful applicants are paid on production of supporting documentation for educational fees. Grants will be made to cover the full length of both secondary and post-secondary education and grants will be paid annually for as long as education continues. The performance grades of Mentees and commitment to the Mentoring program is monitored. A grant programme could be terminated for performance below the expected standard.

Educational grants are recognised in full in the accounts for the entire period of education to be supported at the time that the grant is approved by the trustees. Grants are paid annually with the amount paid being deducted from the total grant provision, any adjustment being made for changes to the total expected cost of education over the life of the grant. Should any student not finish the full period of education covered by the grant any balance of grant provision will be written back to the accounts in the period in which the support ended.

q) Key judgements and estimations

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

THE MADRINHA TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. ANALYSIS OF INCOME

a) Grants

	Unrestricted funds	Endowment funds	Total Funds	Total Funds
	£	£	£	£
	2020	2020	2020	2019
General grants	50,000	-	50,000	50,000
	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>

b) Investment income

	Unrestricted funds	Endowment funds	Total Funds	Total Funds
	£	£	£	£
	2020	2020	2020	2019
Dividends and interest	-	7,920	7,920	35,338
	<u>-</u>	<u>7,920</u>	<u>7,920</u>	<u>35,338</u>

3. ANALYSIS OF EXPENDITURE

(a) Expenditure on charitable activities

	Unrestricted funds	Endowment funds	Total Funds	Total Funds
	£	£	£	£
	2020	2020	2020	2019
Salaries (including NI)	24,826	-	24,826	16,795
Grants to individuals	261,235	-	261,235	561,939
Admin and office costs	9,952	-	9,952	20,129
IT and software costs	1,354	-	1,354	561
Travel and subsistence	65	-	65	738
Bank and other charges	2,971	-	2,971	3,416
Governance	11,087	-	11,087	13,544
	<u>311,490</u>	<u>-</u>	<u>311,490</u>	<u>617,122</u>

(b) Governance costs

	Unrestricted funds	Endowment funds	Total Funds	Total Funds
	£	£	£	£
	2020	2020	2020	2019
Independent examination	900	-	900	900
Accountancy fees	10,097	-	10,097	10,340
Professional fees	90	-	90	2,304
	<u>11,087</u>	<u>-</u>	<u>11,087</u>	<u>13,544</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

4. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Endowment funds	Total Funds
	2019	2019	2019
	£	£	£
INCOME			
Grants	50,000	-	50,000
Investment income	4	35,334	35,338
Other income	-	-	-
	<u>50,004</u>	<u>35,334</u>	<u>85,338</u>
EXPENDITURE			
Investment management costs	-	23,329	23,329
Charitable activities	617,122	-	617,122
	<u>617,122</u>	<u>23,329</u>	<u>640,451</u>
Transfer between funds	420,000	(420,000)	-
Net gains/(losses) on investments	-	200,909	200,909
NET MOVEMENT IN FUNDS	<u>(147,118)</u>	<u>(207,086)</u>	<u>(354,204)</u>

5. STAFF COSTS

	2020	2019
	£	£
Salaries	24,422	16,512
Pensions	404	283
	<u>24,826</u>	<u>16,795</u>

No employee earned over £60,000 (including taxable benefits but excluding employer pension contributions) during the year.

The average number of employees during the year was as follows:

	2020	2019
Administration and support	<u>1</u>	<u>1</u>

6. TRANSACTIONS WITH TRUSTEES

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind.

During the year no trustee received any remuneration or expenses.

THE MADRINHA TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. FIXED ASSET INVESTMENTS

LISTED INVESTMENTS

(a) Valuation of listed investments

	2020 £	2019 £
Market value at 1 January 2020	1,535,249	1,574,610
Additions at cost	58,285	405,219
Disposals at opening market value	(382,144)	(645,491)
Net unrealised gain/(loss) on investment revaluation	18,041	200,911
	<u>1,229,431</u>	<u>1,535,249</u>
Cash held by investment advisors	9,456	34,449
Market value at 31 December 2020	<u>1,238,887</u>	<u>1,569,698</u>

(b) Total gains/(losses) on listed investments

	2020 £	2019 £
Proceeds from disposal	386,076	645,489
Carrying value of disposed investments	(382,144)	(645,491)
	<u>3,932</u>	<u>(2)</u>
Unrealised gains/(losses)	18,041	200,911
Total gains/(losses)	<u>21,973</u>	<u>200,909</u>

(c) Analysis between listed investments

	2020 £	2019 £
UK investments	1,238,887	880,949
Rest of the world investments	-	688,749
	<u>1,238,887</u>	<u>1,569,698</u>

The trustees consider individual investment holdings in excess of 5% of the market value of the portfolio to be material; each of the following holdings have a material value:

	2020 £	2019 £
HSBC Holdings Plc	68,193	106,542
Scottish & Southern Energy	-	105,335
	<u>68,193</u>	<u>211,877</u>
Investments where holding is less than 5% of the total market value	1,170,694	1,357,821
	<u>1,238,887</u>	<u>1,569,698</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. GROSS TRANSFER BETWEEN FUNDS

	Unrestricted funds £	Endowment funds £
Transfer between funds	350,000	(350,000)
	<u>350,000</u>	<u>(350,000)</u>

The trustees have powers contained in the Trust deed to use the capital of the charity to support its charitable aims and the day to day running costs of the charity.

During the course of the year £350,000 was transferred from the funds managed by Veritas Investment Management LLP to the charity's current account to fund the charity's operations during the year. Total transfers from the endowment fund to date are £1,835,000.

9. DEBTORS

	2020 £	2019 £
Prepayments	10,256	16,431
Other debtors	498	3,527
	<u>10,754</u>	<u>19,958</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	5,868	5,803
Accrued educational expenses	327,713	349,180
Other accrued expenses	11,882	12,790
	<u>345,463</u>	<u>367,773</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2020 £	2019 £
Accrued educational expenses	168,243	317,567
	<u>168,243</u>	<u>317,567</u>

Long term accrued educational expenses have been calculated at amortised cost using a discount rate of 3%.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. FUNDS

	Brought forward £	Movement in funds £	Transfer between funds £	Carried forward £
Unrestricted funds	185,107	(261,490)	350,000	273,617
Endowment funds	815,232	19,187	(350,000)	484,419
Carried forward	<u>1,000,339</u>	<u>(242,303)</u>	<u>-</u>	<u>758,036</u>

Analysis of movement in funds

	Incoming Resources £	Outgoing Resources £	Gains & losses £	Movement in funds £
Unrestricted funds	50,000	(311,490)	-	(261,490)
Endowment funds	7,920	(10,706)	21,973	19,187
	<u>57,920</u>	<u>(322,196)</u>	<u>21,973</u>	<u>(242,303)</u>

13. TAXATION

The Madrinha Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from charitable activities, as it falls within the various exemptions available to registered charities.

14. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

15. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.