

CHARITY REGISTRATION NUMBER: 1141700

Medcare Charitable Trust
Unaudited Financial Statements
31 March 2021

BRAMWELL MORRIS

Chartered Accountants
18 Mulberry Avenue
Turnstone Business Park
Widnes
Cheshire
WA8 0WN

Medcare Charitable Trust

Financial Statements

Year ended 31 March 2021

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Medcare Charitable Trust

Trustees' Annual Report

Year ended 31 March 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name Medcare Charitable Trust

Charity registration number 1141700

Principal office Kingswood Lodge
Kingswood
Frodsham
Cheshire
WA6 6JQ
United Kingdom

The trustees Dr P G Hutchinson (Chair)
Mrs E Darbyshire
Dr A D A Dalton
Mr J Partridge
Mrs S Kemp
Mrs J Tomkinson
Mr N Taylor (Treasurer)

Independent examiner Mr G Mattocks FCA
18 Mulberry Avenue
Turnstone Business Park
Widnes
Cheshire
WA8 0WN

Medcare Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 31 March 2021

Structure, governance and management

Status

Registered unincorporated charity established by Trust Deed on 26 March 2011.

Recruitment of Trustees

By personal invitation of the Chairman following name(s) agreed at a meeting of the Board of Trustees.

Outside party appointments

Trustees only appointed as per the section "Recruitment of Trustees".

Investment Policies and Reserves

The Trustees consider that a reserves policy is not feasible until there is a substantial increase in undesignated income. The greater part of the charity's income is designated to specific projects. Any undesignated income received, is allocated to the general fund. It is a policy that the general fund is kept at a level that is equivalent to three to six months running costs expenditure to ensure that if there is a significant drop in funding there will be sufficient time for the Trustees to consider ways in which additional funding may be raised.

Funds held a custodian trustee on behalf of others

None exist.

Objectives and activities

Objects of the charity

The objects of the Trust for the public benefit are relief of sickness and the preservation of good health by the provision of funds, goods or services of any kind in such parts of Uganda or the world as the Trustees from time to time may think fit.

To fulfill such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Trust.

Strategy

By the raising of funds in the UK to provide the running and development costs of the Wellspring Children's Medical Centre (WCMC) and the Wellspring Home for Disabled Children - both based in Kamutuuza, Uganda - and including the funding of all outreach programmes.

By sponsorship schemes to provide medical assistance to children with chronic, life threatening illnesses and physical disabilities and to provide practical assistance to their parents/guardians to help relieve poverty and consequent lack of food and poor housing.

By supporting other local medical institutions in Uganda with equipment and supplies.

By visits to the WCMC to ensure that the work is carried out correctly and that the funding supplied is spent in accordance with the decisions of the Board of Trustees.

Public Benefit

The Board of Trustees have considered the Charity Commission's guidance on Public Benefit and report that the work undertaken in Uganda does provide benefit to the citizens of that country.

Medcare Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Achievements and performance

Activities in the UK

The Trustees and Medcare volunteers have undertaken speaking engagements and organised charitable fund raising events in various venues to promote and support the work of the charity and to encourage people to take up the sponsorship schemes. Regular newsletters and development of the Medcare website and Facebook assist in promoting fundraising events and raising awareness. Charitable support to Medcare from Manchester Airports Group (MAG) officially ended in December 2015. Additional financial support for the work of Medcare has been proposed by Urenco at the Capenhurst Technology Park, near Chester. Fundraising is being organised throughout 2021/22.

Financial review

For the Full Year to 31st March 2021, Medcare recorded a P&L deficit of (£9.5k), 28.7k favourable to budget and £35.4k favourable to prior year.

As at 31st March 2021, UK cash at bank stands at £201.8k, £38.9k higher than the balance at 31st March 2020. Total cash including balances within Uganda stands at £223.7k, £18.0k higher than the balance at 31st March 2020.

The growth in cash balance is largely due to the P&L deficit of £9.5k being offset by the receipt of £22.2k gift aid income from HMRC, which was accounted for within the 2019/20 financial year. As at 31st March 2021, Total Charity Funds / Net Assets for Medcare which exclude cash balances within Uganda stand at £206.1k.

Sponsorship Programme

The Sponsorship programme generated a net surplus of £7.2k for the 12 month period to 31st March 2021, favourable to both budget and prior year by £8.6k and £8.2k respectively. During the year, an average of 203 children were supported on the sponsorship schemes, together with a further 6 through various vocational training programmes.

Donor support to the sponsorship schemes throughout the COVID period has been very strong, with the favourable variances being driven by the fact that the COIN scheme and vocational training programmes were fully funded, whereas the prior year had a number of months in which Medcare elected to subsidise children onto the scheme while donors were sought. In addition, Medcare benefited from a higher uptake of the requested increase to a £30 per month donation than was forecast within the budget.

Wellspring and the Children's Home

Wellspring and the Children's Home recorded a net deficit of (£13.4k) for the financial year to 31st March 2021, £19.0k favourable to budget, and £26.7k favourable to prior year. A total 10,704 patients were seen in the Wellspring clinics throughout the year which, due to the impact of COVID, was 44% below the FY19/20 equivalent of 19,098.

The favourable variances were driven by a significant one off donation of £30k, made in October / November 2020 by the estate of EG Emery. This generous gift was partially offset, however, by Fund Raising receipts being significantly down (£12.0k) and (£10.3k) Vs. budget and prior year respectively on account of the impact of COVID 19 on the ability to conduct fund raising activity during the year; notably with the cancellation of the MAG golf day in August 2020, which raised £9k in 2019. Costs associated with hospital bills / surgical costs were fully funded by donations in the year and the net position of the COVID 19 appeal ended up £1.6k positive, which ultimately then contributed to funding the wider operating costs of the medical centre.

Medcare Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 31 March 2021

Financial review *(continued)*

Full Year Operating costs for Wellspring (excluding Hospital / Surgical and COVID) were £59.0k, £0.4k lower than budget and £1.3k higher than prior year. The variance to budget was driven by marginally higher medical costs, offset by various low value savings in non medical expenditure. Versus prior year, employee costs were higher due to the decision to move Mahad (Laboratory Assistant) to full time, together with additional costs associated with building repairs, including painting / tiling in the new waiting area and repair of the solar panels.

Full Year Operating costs for the Children's Home totalled £7.8k, £0.9k higher than budget and £2.5k higher than prior year. However, this cost was partially offset by the £1.8k receipt of the first of four quarterly donations from Samaritan's Purse in January 21, £1.2k of which was used to cover non staff costs in the quarter, with the remainder deferred into the FY21/22 financial year. The cost variance to budget was driven by the requirement for a number of repairs and building works funded in Q2, which were not anticipated in the run rate of maintenance costs; notably re-roofing of the playship shelter, PVC flooring of the boys' dormitory and painting of all dormitories. The additional variance to the prior year reflects the year on year effect of the Medcare funding of the Children's Home having commenced in Q2 (July) 2019.

UK Support

At (£3.3k) net cost, full year UK Support costs were broadly in line with prior year and £1.0k favourable to budget on account of the lower consultancy costs incurred.

Plans for future periods

During Q1 of 2021/22, it is recommended to the Medcare Board that, in consideration of the Budget and financial commitments for the new 2021/22 financial year, strategies are discussed to address the annual funding deficit. Including the following:

- Review of the UK fund raising strategy and targeted discussions with key / new donors (including MAG)
- Development of the social media strategy for Medcare (including considerations on how to resource / source expertise)
- Review of unit costs of drug procurement in Uganda and recommendations to the Wellspring team
- Progression of the ongoing discussions with Mildmay Uganda

The trustees' annual report was approved on 23/6/21 and signed on behalf of the board of trustees by:



Dr P G Hutchinson
Trustee

Medcare Charitable Trust

Independent Examiner's Report to the Trustees of Medcare Charitable Trust

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of Medcare Charitable Trust ('the charity') for the year ended 31 March 2021.

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 2011 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.

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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. 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 accounts to be reached.



Mr G Mattocks FCA
Independent Examiner
18 Mulberry Avenue
Turnstone Business Park
Widnes
Cheshire
WA8 0WN

23/6/2021

Medcare Charitable Trust
Statement of Financial Activities
Year ended 31 March 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	129,121	—	129,121	75,002
Other trading activities	5	4,562	—	4,562	15,130
Investment income	6	32	—	32	94
Total income		<u>133,715</u>	<u>—</u>	<u>133,715</u>	<u>90,226</u>
Expenditure					
Expenditure on charitable activities	7,8	143,200	—	143,200	135,124
Total expenditure		<u>143,200</u>	<u>—</u>	<u>143,200</u>	<u>135,124</u>
Net expenditure and net movement in funds		<u>(9,485)</u>	<u>—</u>	<u>(9,485)</u>	<u>(44,898)</u>
Reconciliation of funds					
Total funds brought forward		215,503	89	215,592	260,490
Total funds carried forward		<u>206,018</u>	<u>89</u>	<u>206,107</u>	<u>215,592</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 8 to 13 form part of these financial statements.

Medcare Charitable Trust
Statement of Financial Position
31 March 2021

	Note	2021 £	£	2020 £
Current assets				
Debtors	13	8,000		55,233
Cash at bank and in hand		201,760		162,909
		<u>209,760</u>		<u>218,142</u>
Creditors: amounts falling due within one year	14	<u>3,653</u>		<u>2,550</u>
Net current assets			<u>206,107</u>	<u>215,592</u>
Total assets less current liabilities			<u>206,107</u>	<u>215,592</u>
Net assets			<u>206,107</u>	<u>215,592</u>
Funds of the charity				
Restricted funds			89	89
Unrestricted funds			<u>206,018</u>	<u>215,503</u>
Total charity funds	15		<u>206,107</u>	<u>215,592</u>

These financial statements were approved by the board of trustees and authorised for issue on 23/6/21, and are signed on behalf of the board by:



Dr P G Hutchinson
Trustee

The notes on pages 8 to 13 form part of these financial statements.

Medcare Charitable Trust
Notes to the Financial Statements
Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Kingswood Lodge, Kingswood, Frodsham, Cheshire, WA6 6JQ, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

Medcare Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Medcare Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	57,118	57,118	15,907	15,907
Sponsorship				
Sponsorship schemes	72,003	72,003	59,095	59,095
	<u>129,121</u>	<u>129,121</u>	<u>75,002</u>	<u>75,002</u>

5. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fundraising events	<u>4,562</u>	<u>4,562</u>	<u>15,130</u>	<u>15,130</u>

Medcare Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Investment income	32	32	94	94

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Direct charitable activities	139,698	139,698	128,909	128,909
Support costs	3,502	3,502	6,215	6,215
	<u>143,200</u>	<u>143,200</u>	<u>135,124</u>	<u>135,124</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Direct charitable activities	139,698	2,612	142,310	134,234
Governance costs	—	890	890	890
	<u>139,698</u>	<u>3,502</u>	<u>143,200</u>	<u>135,124</u>

9. Analysis of support costs

	Analysis of support costs activity 1 £	Total 2021 £	Total 2020 £
Premises	—	—	1,766
General office	518	518	203
Governance costs	890	890	890
Fundraising	216	216	221
Bank and financial services costs	1,878	1,878	3,135
	<u>3,502</u>	<u>3,502</u>	<u>6,215</u>

10. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	890	890

Medcare Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

11. Staff costs

The average head count of employees during the year was Nil (2020: Nil). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff - administration	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

13. Debtors

	2021 £	2020 £
Other debtors	<u>8,000</u>	<u>55,233</u>

14. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	<u>3,653</u>	<u>2,550</u>

15. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 20 21 £
General Fund	120,938	52,520	(78,134)	95,324
Designated Funds	94,565	81,195	(65,066)	110,694
	<u>215,503</u>	<u>133,715</u>	<u>(143,200)</u>	<u>206,018</u>

Medcare Charitable Trust

Notes to the Financial Statements (continued)

Year ended 31 March 2021

15. Analysis of charitable funds (continued)

General Funds

	Balance at 1 April 2020	Income £	Expenditure £	Balance at 31 Mar 2021 £
General Fund	(12,615)	32		(12,583)
Donations	457,366	52,488		509,854
Running Costs (UK)	(26,234)		(3,286)	(29,520)
Running Costs (Projects)	(297,579)		(74,848)	(372,427)
	<u>120,938</u>	<u>52,520</u>	<u>(78,134)</u>	<u>95,324</u>

Designated Funds

	Balance at 1 Apr 2020	Income	Expenditure	Balance at 31 Mar 2020 £
COIN Sponsorship	57,324	68,862	(56,734)	69,452
COIN Administration	(1,891)	170	(680)	(2,401)
MDI Sponsorship	(14,169)			(14,169)
MSI Sponsorship	(1,786)		(1,800)	(3,586)
MFS (Medcare Family Support)	(897)		(711)	(1,608)
Hospital Fees	2,931	4,630		7,561
Nurse Training	(1,440)	2,231	(2,244)	(1,453)
Noeline Support	1,550	240		1,790
AD Hoc Transfers	(20,701)			(20,701)
Other Sponsorship	(4,415)	500	(2,681)	(6,596)
Fundraising (inc Grants)	78,059	4,562	(216)	82,405
	<u>94,565</u>	<u>81,195</u>	<u>(65,066)</u>	<u>110,694</u>

Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 20 21 £
Restricted Fund - MAG development project	89	-	-	89

As at the 2020/21 year end date, the balance on the Restricted Fund is in surplus, due to the timing of expenditure and receipts on the orphanage project referenced in the Trustees Report.

16. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Current assets	209,671	89	209,760	218,142
Creditors less than 1 year	(3,653)	-	(3,653)	(2,550)
Net assets	<u>206,018</u>	<u>89</u>	<u>206,107</u>	<u>215,592</u>

Medcare Charitable Trust

Management Information

Year ended 31 March 2021

The following pages do not form part of the financial statements.

Medcare Charitable Trust
Detailed Statement of Financial Activities
Year ended 31 March 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations	57,118	15,907
Sponsorship schemes	72,003	59,095
	<u>129,121</u>	<u>75,002</u>
Other trading activities		
Fundraising events	4,562	15,130
	<u>4,562</u>	<u>15,130</u>
Investment income		
Investment income	32	94
	<u>32</u>	<u>94</u>
Total income	<u>133,715</u>	<u>90,226</u>
Expenditure		
Expenditure on charitable activities		
Rent	-	1,766
Legal and professional fees	890	890
Other office costs	518	203
Sponsorship schemes	65,066	62,534
Project costs	76,726	69,731
	<u>143,200</u>	<u>135,124</u>
Total expenditure	<u>143,200</u>	<u>135,124</u>
Net expenditure	<u>(9,485)</u>	<u>(44,898)</u>

Medcare Charitable Trust

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Expenditure on charitable activities		
Direct charitable activities		
<i>Activities undertaken directly</i>		
Sponsorship schemes	64,850	62,313
Project costs	74,848	66,596
	<u>139,698</u>	<u>128,909</u>
Support costs		
Rent	—	1,766
Other office costs	518	203
Fundraising	216	221
Bank and financial services charges	1,878	3,135
	<u>2,612</u>	<u>5,325</u>
Governance costs		
Governance costs - accountancy fees	890	890
	<u>890</u>	<u>890</u>
Expenditure on charitable activities	<u>143,200</u>	<u>135,124</u>