

CHARITY REGISTRATION NUMBER: 1141700

Medcare Charitable Trust
Unaudited Financial Statements
31 March 2022

MATTOCKS GRINDLEY

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

Medcare Charitable Trust

Financial Statements

Year ended 31 March 2022

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Medcare Charitable Trust

Trustees' Annual Report

Year ended 31 March 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

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 (Retired 28 March 2022)
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 2022

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 2022

Achievements and performance

Activities in the UK

The Trustees and Medcare volunteers have undertaken speaking engagements and organised charitable fundraising 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 2022/23.

Financial review

In the Full Year to 31st March 2022, Medcare recorded a P&L deficit of £3.8k, £14.2k favourable to budget and £5.7k favourable to prior year.

As at 31st March 2022, UK cash at bank stands at £200.3k, £1.4k lower than the balance at 31st March 2021. Total cash – including balances within Uganda – stands at £224.4k, £0.7k higher than the balance at 31st March 2021. As at 31st March 2022, Total Charity Funds / Net Assets for Medcare – which exclude cash balances within Uganda – stands at £202.3k.

Sponsorship Programme

The Sponsorship programme recorded income of £72.9k, to fund total costs of £70.9k, resulting in a net surplus of £2.1k for the year, £3.5k adverse to budget and £5.1k adverse to prior year.

As at end-March, a total of 182 children were being sponsored on the COIN scheme, with a further 17 on the list awaiting sponsors.

Wellspring Medical Centre

Via donations and fundraising activity in the UK, the Wellspring Medical Centre recorded total income of £56.3k, to fund total costs of £54.2k, resulting in a net surplus of £2.1k for the year, £18.9k favourable to budget and £8.9k favourable to prior year. Favourability to budget was primarily driven by donations income, which were £17.3k above budget; notably due to receipt of £20k from the Grace Charitable Trust.

A total of 12,837 patients were seen in the Wellspring clinics in year to 31st March, 20% above the FY20/21 equivalent of 10,704, but still only 67% of the throughput seen in FY19/20. The (Sterling equivalent) average Net Medical cost per patient (excl. staff) to Medcare during FY21/22 was £1.32, compared to £1.59 in the Prior Year, driven by the higher patient volumes whilst the full year transfer value remained unchanged. Continuing to demonstrate that requests for medical funding costs from Wellspring do not flex in line with patient volumes as they would be expected to.

Children's Home

The Children's Home recorded a net deficit of £4.8k in the year, marginally higher than budget but a £1.8k improvement on prior year.

£11k of Samaritan's Purse grant funding was received within the financial year, and transferred to Uganda to fund food, fuel, clothing and school attendance, alongside £4.8k of COVID support funding.

The deficit was driven by funding for those areas not covered by the grant; notably staff wages and building repairs, including solar panel batteries, tiling, painting and plastering. Construction of the workshop and workshop fencing, being the key sustainability initiative for FY21/22, was fully funded in the year.

Medcare Charitable Trust
Trustees' Annual Report *(continued)*
Year ended 31 March 2022

Financial review *(continued)*

UK Support

At £3.2k net cost, UK Support costs were broadly in line with budget and prior year.

Support costs in the year principally comprised Advertising £1.0k, Audit Fee £1.0k, Charity Insurance £0.7k, Bank Charges £0.7k and Postage £0.5m. Offset by a small amount of support funding.

Plans for future periods

During Q1 of 2022/23, it is recommended to the Medcare Board that, in consideration of the Budget and financial commitments for the new 2022/23 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 and signed on behalf of the board of trustees by:



Mr M Taylor
Trustee



Dr P G Hutchinson (Chair)
Trustee

Medcare Charitable Trust

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

Year ended 31 March 2022

I report to the trustees on my examination of the financial statements of Medcare Charitable Trust ('the charity') for the year ended 31 March 2022.

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

Medcare Charitable Trust
Statement of Financial Activities
Year ended 31 March 2022

		Unrestricted funds £	2022 Restricted funds £	Total funds £	2021 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	128,713	—	128,713	129,121
Other trading activities	5	17,815	—	17,815	4,562
Investment income	6	4	—	4	32
Total income		<u>146,532</u>	<u>—</u>	<u>146,532</u>	<u>133,715</u>
Expenditure					
Expenditure on charitable activities	7,8	150,323	—	150,323	143,200
Total expenditure		<u>150,323</u>	<u>—</u>	<u>150,323</u>	<u>143,200</u>
Net expenditure and net movement in funds		<u>(3,791)</u>	<u>—</u>	<u>(3,791)</u>	<u>(9,485)</u>
Reconciliation of funds					
Total funds brought forward		206,018	89	206,107	215,592
Total funds carried forward		<u>202,227</u>	<u>89</u>	<u>202,316</u>	<u>206,107</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 14 form part of these financial statements.

Medcare Charitable Trust
Statement of Financial Position
31 March 2022

	Note	2022 £	£	2021 £
Current assets				
Debtors	13	8,000		8,000
Cash at bank and in hand		<u>200,340</u>		<u>201,760</u>
		208,340		209,760
 Creditors: amounts falling due within one year	 14	 <u>6,024</u>		 <u>3,653</u>
Net current assets			202,316	206,107
Total assets less current liabilities			202,316	206,107
Net assets			202,316	206,107
 Funds of the charity				
Restricted funds			89	89
Unrestricted funds			<u>202,227</u>	<u>206,018</u>
Total charity funds	15		202,316	206,107

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



Dr P G Hutchinson (Chair)
Trustee

Medcare Charitable Trust
Notes to the Financial Statements
Year ended 31 March 2022

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 2022

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 2022

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 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations	55,771	55,771	57,118	57,118
Sponsorship				
Sponsorship schemes	72,942	72,942	72,003	72,003
	<u>128,713</u>	<u>128,713</u>	<u>129,121</u>	<u>129,121</u>

5. Other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Fundraising events	<u>17,815</u>	<u>17,815</u>	<u>4,562</u>	<u>4,562</u>

Medcare Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Investment income	<u>4</u>	<u>4</u>	<u>32</u>	<u>32</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Direct charitable activities	146,170	146,170	139,698	139,698
Support costs	4,153	4,153	3,502	3,502
	<u>150,323</u>	<u>150,323</u>	<u>143,200</u>	<u>143,200</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Direct charitable activities	146,170	3,163	149,333	142,310
Governance costs	–	990	990	890
	<u>146,170</u>	<u>4,153</u>	<u>150,323</u>	<u>143,200</u>

9. Analysis of support costs

	Analysis of support costs activity 1 £	Total 2022 £	Total 2021 £
General office	493	493	518
Governance costs	990	990	890
Fundraising	216	216	216
Bank and financial services costs	1,414	1,414	1,878
Miscellaneous	35	35	–
Advertising	1,005	1,005	–
	<u>4,153</u>	<u>4,153</u>	<u>3,502</u>

10. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>990</u>	<u>890</u>

Medcare Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

2022	2021
£	£

The average head count of employees during the year was Nil (2021: Nil). The average number of full-time equivalent employees during the year is analysed as follows:

2022	2021
No.	No.
<u>1</u>	<u>1</u>

Number of staff - administration

No employee received employee benefits of more than £60,000 during the year (2021: 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

2022	2021
£	£
<u>8,000</u>	<u>8,000</u>

Other debtors

14. Creditors: amounts falling due within one year

2022	2021
£	£
<u>6,024</u>	<u>3,653</u>

Accruals and deferred income

15. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
General Fund	95,324	55,962	(79,234)	72,052
Designated Funds	110,694	90,570	(71,089)	130,175
	<u>206,018</u>	<u>146,532</u>	<u>(150,323)</u>	<u>202,227</u>

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
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 2022

15. Analysis of charitable funds (continued)

General Funds

	Balance at 1 April 2021	Income £	Expenditure £	Balance at 31 Mar 2022 £
General Fund	(12,583)	4		(12,579)
Donations	509,854	55,191		565,045
Running Costs (UK)	(29,520)	767	(3,937)	(32,690)
Running Costs (Projects)	(372,427)		(75,297)	(447,724)
	<u>95,324</u>	<u>55,962</u>	<u>(79,234)</u>	<u>72,052</u>

Designated Funds

	Balance at 1 Apr 2021	Income	Expenditure	Balance at 31 Mar 2022 £
COIN Sponsorship	69,452	67,140	(61,760)	74,832
COIN Administration	(2,401)		(679)	(3,080)
MDI Sponsorship	(14,169)			(14,169)
MSI Sponsorship	(3,586)	100		(3,486)
MFS (Medcare Family Support)	(1,608)		(1,472)	(3,080)
Hospital Fees	7,561	580		8,141
Nurse Training	(1,453)	5,107	(5,072)	(1,418)
Noeline Support	1,790	330		2,120
AD Hoc Transfers	(20,701)		(87)	(20,788)
Other Sponsorship	(6,596)	265	(1,803)	(8,134)
Fundraising (inc Grants)	82,405	17,048	(216)	99,237
	<u>110,694</u>	<u>90,570</u>	<u>(71,089)</u>	<u>130,175</u>

Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
Restricted Fund - MAG development project	89	-	-	89

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Restricted Fund - MAG development project	89	-	-	89

As at the 2021/22 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.

Medcare Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

16. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Current assets	208,251	89	208,340
Creditors less than 1 year	(6,024)	—	(6,024)
Net assets	<u>202,227</u>	<u>89</u>	<u>202,316</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Current assets	209,671	89	209,760
Creditors less than 1 year	(3,653)	—	(3,653)
Net assets	<u>206,018</u>	<u>89</u>	<u>206,107</u>

Medcare Charitable Trust

Management Information

Year ended 31 March 2022

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

Medcare Charitable Trust
Detailed Statement of Financial Activities
Year ended 31 March 2022

	2022 £	2021 £
Income and endowments		
Donations and legacies		
Donations	55,771	57,118
Sponsorship schemes	<u>72,942</u>	<u>72,003</u>
	<u>128,713</u>	<u>129,121</u>
 Other trading activities		
Fundraising events	<u>17,815</u>	<u>4,562</u>
 Investment income		
Investment income	<u>4</u>	<u>32</u>
 Total income	<u><u>146,532</u></u>	<u><u>133,715</u></u>
 Expenditure		
Expenditure on charitable activities		
Legal and professional fees	990	890
Other office costs	—	518
Sponsorship schemes	71,089	65,066
Project costs	<u>78,244</u>	<u>76,726</u>
	<u>150,323</u>	<u>143,200</u>
 Total expenditure	<u><u>150,323</u></u>	<u><u>143,200</u></u>
 Net expenditure	<u><u>(3,791)</u></u>	<u><u>(9,485)</u></u>

Medcare Charitable Trust

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2022

	2022 £	2021 £
Expenditure on charitable activities		
Direct charitable activities		
<i>Activities undertaken directly</i>		
Sponsorship schemes	70,873	64,850
Project costs	75,297	74,848
	<u>146,170</u>	<u>139,698</u>
Support costs		
Other office costs	—	518
Fundraising	216	216
Bank and financial services charges	2,947	1,878
	<u>3,163</u>	<u>2,612</u>
Governance costs		
Governance costs - accountancy fees	990	890
	<u>990</u>	<u>890</u>
Expenditure on charitable activities	<u>150,323</u>	<u>143,200</u>