



MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

Trustees

Adrian Brown, Water and Solar Projects
Gillian Barber, Medical projects
Tony Cox, Chairman and Bursaries
Brian Griffin, Vice Chairman and Bursaries
Richard Davies, Fundraising and Website Coordinator
Colin Gardner, Treasurer
Eileen Eggington, Project Officer
Julie Lupton, Secretary and Supporters' Database
Margaret Campbell, Publicity and Safeguarding
Martin Herrick, Medical Projects

Charity registered number

1188309

Principal office

The Cottage
72 North Street
Biddenden
Kent
TN27 8AS
www.malawimacs.org

Accountants

Venthams
Chartered Accountants
Millhouse
32 - 38 East Street
Rochford
Essex
SS4 1DB

Bankers

Barclays Bank
Leicester
LE87 2BB

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the financial statements of the charity for the year 1 April 2020 to 31 March 2021.

Objectives and activities

a. Policies and objectives

The main objective of the charity is to promote any charitable purpose in Malawi, including the advancement of education, the relief of poverty, sickness and distress, the preservation and protection of health and the advancement of Christian religion particularly by supporting the pastoral work of churches and the support of charitable Christian institutions in that country.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Activities undertaken to achieve objectives

Individuals and organisations are invited to donate to a General Fund which can be used for any charitable purpose in Malawi. If requested, donations can go to specific categories e.g. Education, Health, Community projects, Church support and Women's projects. MACS supports local groups and organisations but not individuals. The majority of requests for help come via the Anglican Dioceses in Malawi.

MACS builds and repairs classrooms and teachers' houses. The charity makes grants to hospitals and health centres for improvements to existing facilities and the building of staff houses. School children particularly girls are assisted in their education by funding school fees. MACS funds the repair and upgrading of clergy houses and the installation of roofs on well-built churches. Women's training groups can apply for funds. MACS assists in water projects, repairing dams and boreholes and building water tanks.

c. Main activities undertaken to further the charity's purposes for the public benefit

The trustees have referred to the Charity Commission's guidance on reporting on public benefit when reviewing our aims and objectives and planning activities. We work with the church and other Christian organisations in Malawi whose support is available to everyone in Malawi irrespective of their race, religion or nationality and the trustees have ensured that the activities undertaken will contribute to the aims and objectives of the charity. The trustees are therefore confident that the charity meets the public benefit requirements.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

Achievements and performance

a. Governance

1. Meetings: Trustees met six times during the year. Because of Covid-19 restrictions, all meetings were held virtually using Zoom. The purpose of all the trustees' meetings was to monitor projects, allocate funds, approve new projects etc.

A working group was set up to manage Covid-19 emergency funds and appeals from Malawi. This group met twice. Decisions taken by the group were noted at main meetings.

Additional working group meetings were held to work on the drawing up of a new constitution for MACS CIO and on the practicalities of moving to a new legal status.

The AGM and Annual Supporters' Day was held virtually, using Zoom on 19th September 2020. With 37 in attendance, this was a most successful event and enabled us to include interviews with people in Malawi. It was an inclusive event allowing supporters from all over the UK to participate without the need to travel to London.

By holding all meetings virtually, a considerable amount of our UK expenses was saved: no rental costs for meeting venues, no trustees' travel expenses etc.

2. Trustees: Trustees remained unchanged throughout the year.

3. Communications with supporters: Margaret Campbell produced two informative newsletters which went out in August 2020 and February 2021. These both drew attention to the change of legal status from MACS to MACS CIO which was undertaken during the year. Supporters have all been contacted with new bank details for Standing Orders and we have gone through the process of updating everyone's Gift Aid declarations as well. Supporters have been encouraged to close their Standing orders to this charity and set up new Standing orders for MACS CIO.

The Annual Gift List was produced in the autumn.

Our 2020-21 Annual appeal to raise funds for solar back up in rural health centres in the Diocese of Lake Malawi set a modest target which was quickly reached. It was agreed to extend this project to the Diocese of Upper Shire Health Centres and at the end of the financial year we were still in the process of raising additional funds for this.

4. GDPR compliance: We continue to maintain a list of all supporters and those who receive publications either by email or post. The MACS privacy policy is available on our website and is reviewed annually.

5. Safeguarding: In line with Charity Commission requirements, trustees have drawn up and adopted Safeguarding policies and procedures for Trustees and for our Malawi representative. All trustees visiting Malawi are now required to have a Disclosure and Barring certificate as well as safeguarding references. Margaret Campbell is our Safeguarding Trustee. Jointly with the wider Anglican Communion we continue to encourage the church in Malawi to introduce robust Safeguarding practices. Schools in Malawi have been asked to share copies of their safeguarding policies with MACS. Little progress was made with this during the pandemic but in March 2021 it was agreed all schools and beneficiaries be contacted once more to raise awareness of the need for Safeguarding policies and practices to be in place in Malawi.

6. Remuneration of trustees' expenses: Trustees claim travel expenses to MACS meetings on an annual basis. However, no meetings were held in London in the 2020-21 Financial year. Visits to Malawi are in line with current agreed policy and details of all claims are in the Annual financial report. No visits were made and we are still in the process of reclaiming airfares paid in 2020 for three cancelled trips.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

Achievements and performance (continued)

b. Projects

1. Applications: During the year a total of £218,716 was granted to new projects.

2. Support for:

(a) Internal auditing: A programme jointly funded with USPG and the Diocese of Birmingham has been funding internal audits in Diocesan institutions. This programme, however, did not get carried out due to Covid-19 restrictions in Malawi when travel was not encouraged.

3. Monitoring:

(a) MACS Representative: In Malawi our representative, Grafiud Tione, has worked throughout the year facilitating the smooth running of projects, disbursing funds, checking on progress, giving advice locally and advising trustees. Grafiud helps the recipients of MACS grants such as individual schools and community groups to open accounts and to manage funds awarded by MACS for particular projects. Trustees remain confident that every attempt is made to ensure funds are spent appropriately. Grafiud's expenses are reviewed and adjusted annually in March. Care has been taken to ensure Grafiud did not travel during the height of the pandemic and that he understood he was only expected to travel to monitor projects as and when he felt it was safe to do so.

(b) Expert advice: MACS has continued to make use of local Malawian professionals working alongside Grafiud in assessing potential projects, drawing up costed plans, tender documents and in monitoring work. Such partnerships are very helpful and the additional professional backing assures trustees in the UK and our overseas partners of the quality and sustainability of the work carried out in Malawi.

(c) 2020 Project Officer's annual trip: this trip did not take place due to Covid-19 restrictions. A trip for 2021 is not currently being planned for the same reason.

4. Health £144,672

MACS is happy to consider a wide range of requests including new buildings, renovations, help with electricity and water, training and financial management. However, very few requests came in the last year apart from appeals for PPE and cleaning materials. These were dealt with by making some blocks grants to institutions using the Covid-19 emergency funds we held.

- A grant of £1000 was made to St Luke's College of Nursing to help with Covid-19 preparedness.
- £3,500 to St Luke's and 8 Health Centres
- £500 to St Martin's
- £2000 to St Anne's and 3 Health Centres.
- The new operating theatre at Malosa was finally handed over by the contractor to the hospital and the sourcing and ordering of equipment carried out locally.
- Solar back up for rural health centres in DLM and DUS using Appeal funds.
- Renovation of a staff house at St Martin's hospital, Malindi.
- Installation of boreholes at Kapiri and Chididi Health Centres.
- Commencement of major works to refurbish the operating theatre at St Anne's hospital, Nkhotakota. This project is totally funded by a generous legacy.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

Achievements and performance (continued)

5. Education £33,485

MACS supports the education of young people in Malawi through the paying of fees in Bursary Schemes as well as supporting in practical ways with building classrooms and the provision of educational materials etc.

Examples of how MACS provides support are:

- Grants were awarded to Malosa Secondary School, St Michael's Girls' Secondary School Bishop Mtekateka Secondary and various Community Day Secondary Schools to help with materials for reopening Covid-19 secure schools.
- Following the successful appeal of 2019-20 for funds to build classroom blocks in primary schools in the Diocese of Lake Malawi, 4 were completed providing better learning conditions for many pupils.
- Classroom block renovated at Matope Secondary School.
- It being a difficult year with many lengthy school closures caused by the Covid-19 emergency, budgeting for the payment of school fees proved complicated. However, school fees have continued to be paid for all 66 students under the various bursary schemes to ensure no one is excluded from educational provision as and when it is available.

6. Parish and Diocesan Support £33,109

Examples of grants made within the last year:

- New ordinands left college equipped with bicycles and maintenance training.
- The people in the parish of St Michael's, Namalomba, rejoiced when their roof repairs were funded.
- Replacement of the roof at Kaphiridzinja Cottage on the lakeshore, providing a secure venue for Diocesan training and away-days.
- the people of Nembere Parish, Magomero, were blessed with a new borehole funded by the Haslingfield churches group.

7. Community and Training £7,450

- A new water pump was purchased and installed at Nkope.
- Nkope Water scheme required remedial work to prevent further erosion of the lakeshore by the pump. A grant enabled the purchase and filling of gabion baskets.
- A grant of £1000 to Chilema Ecumenical Training Centre to help make the centre Covid-19 secure.
- Support to Ndi Moyo to complete the advanced training of a palliative care nurse.
- A grant of £5000 to Seed Sowers Trust UK to fund 10 shallow hand-pumped boreholes in the Diocese of Southern Malawi.

c. Fundraising

We are especially grateful to all our supporters who have continued to donate and support the work of MACS throughout this most unusual and difficult of years.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

b. Reserve policy

The trustees have agreed that unrestricted reserves should be maintained at a level equivalent to 3 months expenditure excluding grants. This would indicate that the minimum reserves at 31st March 2021 should be £5,501. The actual unrestricted reserves amounted to £32,348.

c. Financial summary

The income for the year was £111,874 as compared to the previous year of £190,750. The expenditure for the year was £240,722, as compared to £153,262. As a consequence, the deficit was £128,848, compared to a surplus of £37,488 in the previous year.

The trustees allocate grants on the basis of the receipt of suitable applications and meet regularly throughout the year to review applications and made grants accordingly.

Grants of £218,716 (2020: £117,930) were approved during the year. At the end of the year £147,956 (2020: £117,930) had not been distributed. The trustees anticipate that these funds will be disbursed by the end of the current year.

d. Principal funding

We are extremely grateful to all our supporters who raise funds and show interest and support throughout the year. Colin Gardner has continued to monitor the use of funds donated through the Gift List.

e. Our supporters

As always, we remain indebted to all MACS supporters, be they individuals, churches, schools or other groups of people. Your financial as well as your prayerful support are greatly appreciated. Together with the people of Malawi, we are working towards a better future.

Structure, governance and management

a. Constitution

Malawi Association for Christian Support has been a registered charity since 2nd September 1993 (number 1025616). However, the trustees considered that this model was not suitable to today's methods of operating and decided that the conversion of the charity to Charitable Incorporated Organisation (CIO) was the appropriate way to proceed.

Consequently, at their meeting on 8th April 2019 the charity trustees agreed to convert the charity into a CIO. At their meeting on 18th November 2019 the trustees approved the constitution of the CIO and it was signed on 28th November 2019 by four of the trustees on behalf of all the trustees.

An application was submitted to the Charity Commission for registration of the CIO and this was issued on 3rd March 2020 with the number 1188309. An application was made to the Charity Commission for approval for the transfer of the undertaking, assets and liabilities of the charity to the CIO. This was received on 12th August 2020.

At the Annual General Meeting of the charity held on 19th September 2020 approval was given for the transfer to be made on 1st January 2021 and the transfer was made on that date.

The charity continues to be in receipt of donations by way of standing orders and the trustees are continuing to persuade donors to transfer their donations to the bank account in the name of the CIO. Once this has been achieved the charity will be closed.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the CIO Foundation.

c. Organisational structure and decision-making policies

Trustees claim travel expenses to MACS meetings on an annual basis. Visits to Malawi are in line with current agreed policy and details of all claims are in the Annual financial report.

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 CIO Foundation. 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:

.....
Julie Lupton

Trustee

Date:

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

**Independent Examiner's Report to the Trustees of Malawi Association for Christian Support CIO
(‘the charity’)**

I report to the charity Trustees on my examination of the accounts of 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 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.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

**INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

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:

Stuart Harrison FCA

Venthams

Chartered Accountants
Millhouse
32 - 38 East Street
Rochford
Essex
SS4 1DB

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	42,598	69,001	111,599	189,041
Investments	4	275	-	275	1,709
		<u>42,873</u>	<u>69,001</u>	<u>111,874</u>	<u>190,750</u>
Total income					
Expenditure on:					
Charitable activities	5	43,289	197,433	240,722	153,262
		<u>43,289</u>	<u>197,433</u>	<u>240,722</u>	<u>153,262</u>
Total expenditure					
Net (expenditure)/income		(416)	(128,432)	(128,848)	37,488
Transfers between funds	14	15,326	(15,326)	-	-
		<u>14,910</u>	<u>(143,758)</u>	<u>(128,848)</u>	<u>37,488</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		17,438	192,598	210,036	172,548
Net movement in funds		14,910	(143,758)	(128,848)	37,488
		<u>32,348</u>	<u>48,840</u>	<u>81,188</u>	<u>210,036</u>
Total funds carried forward					

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	1,716	5,127
		<u>1,716</u>	<u>5,127</u>
Current assets			
Debtors	12	6,679	18,216
Cash at bank and in hand		232,268	316,202
		<u>238,947</u>	<u>334,418</u>
Creditors: amounts falling due within one year	13	(159,475)	(129,509)
Net current assets		<u>79,472</u>	<u>204,909</u>
Total assets less current liabilities		<u>81,188</u>	<u>210,036</u>
Total net assets		<u><u>81,188</u></u>	<u><u>210,036</u></u>
Charity funds			
Restricted funds	14	48,840	192,598
Unrestricted funds	14	32,348	17,438
Total funds		<u><u>81,188</u></u>	<u><u>210,036</u></u>

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

.....
Tony Cox
Chairman
Date:

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

1. General information

Malawi Association for Christian Support CIO is an unincorporated charity registered in England and Wales. Its principal office address is The Cottage, 72 North Street, Biddenden, Kent TN27 8AS.

During the year, the activities of the charity were transferred from an unincorporated entity (charity number 1025616) to a CIO. These accounts have therefore been prepared on a merger basis and the comparative figures are those of the unincorporated entity from which the activity was transferred.

2. Accounting policies

2.1 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 2015), 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 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.

Malawi Association for Christian Support CIO 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 TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.2 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

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.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

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

2. Accounting policies (continued)

2.3 Expenditure (continued)

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.

2.4 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.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	20% straight line
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2.6 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.

2.7 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.

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

2. Accounting policies (continued)

2.8 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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.

2.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**3. Income from donations and legacies**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	42,598	69,001	111,599

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	48,548	140,493	189,041

4. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income - local cash	202	202
Investment income - foreign cash	73	73
Total 2021	275	275

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income - local cash	1,312	1,312
Investment income - foreign cash	397	397
<i>Total 2020</i>	<i>1,709</i>	<i>1,709</i>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Grant making activities	43,289	197,433	240,722

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Grant making activities	28,238	125,024	153,262

6. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Grant making activities	20,782	218,716	1,224	240,722

	<i>Activities undertaken directly 2020 £</i>	<i>Grant funding of activities 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Grant making activities	25,567	127,119	576	153,262

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Grant making activities 2021 £	Total funds 2021 £
Depreciation	3,411	3,411
Malawian representative retainer	6,735	6,735
Malawian representative travelling	7,511	7,511
Malawian representative telephone	903	903
Bank charges	378	378
Paypal charges	60	60
Printing and stationery	1,711	1,711
Sundry expenses	73	73
Total 2021	20,782	20,782

	Grant making activities 2020 £	Total funds 2020 £
Depreciation	3,411	3,411
Malawian representative retainer	6,101	6,101
Malawian representative travelling	7,567	7,567
Malawian representative telephone	1,022	1,022
Project officer trip and travel grants	4,337	4,337
Room hire	866	866
Bank charges	484	484
Paypal charges	46	46
Printing and stationary	484	484
Postage	1,072	1,072
Sundry expenses	177	177
Total 2020	25,567	25,567

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Grant making activities 2021 £	Total funds 2021 £
Governance costs	1,224	1,224

	<i>Grant making activities 2020 £</i>	<i>Total funds 2020 £</i>
Governance costs	576	576

7. Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £
Grant making activities	218,716	218,716

	<i>Grants to Institutions 2020 £</i>	<i>Total funds 2020 £</i>
Grants making activities	127,119	127,119

The charity has made the following material grants to institutions during the year:

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

7. Analysis of grants (continued)

	2021 £	2020 £
Name of institution		
Medical Health	12,094	1,250
Bursaries	8,211	14,546
Donald Arden Bursary Fund	2,317	4,270
Donald Arden Memorial Fund	2,642	4,433
Gifts menu	1,046	2,232
Vocational courses for women	-	1,384
St Lukes Hospital	17,398	-
Post Covid Support	25,670	-
Boreholes & water	17,650	-
Flood relief	-	6,925
Solar Power	22,423	-
Kaphiridzinja Cottage	5,000	-
Magomero classroom renovations	3,195	5,191
Education buildings and classrooms	-	72,382
St Martin's staff houses	11,000	8,940
Nkope Health Centre	-	2,500
St Anne's Hospital	87,753	971
Other grants to institutions	2,317	2,095
	218,716	127,119
	218,716	127,119

8. Analysis of expenditure by percentage

	2021 £	2021 %	2020 £	2020 %
Grants	218,716	90.86	127,119	82.94
Malawi projects supervision costs	19,336	8.03	22,501	14.68
UK expenses	2,670	1.11	3,642	2.38
	240,722	100.00	153,262	100.00

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,224 (2020 - £576).

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

10. Trustees' remuneration and expenses

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

During the year ended 31 March 2021, expenses totalling £NIL were reimbursed or paid directly to Trustee (2020 - £4,337 to 7 Trustees).

11. Tangible fixed assets

	Motor vehicles £
Cost or valuation	
At 1 April 2020	17,067
	<hr/>
At 31 March 2021	17,067
	<hr/>
Depreciation	
At 1 April 2020	11,940
Charge for the year	3,411
	<hr/>
At 31 March 2021	15,351
	<hr/>
Net book value	
At 31 March 2021	1,716
	<hr/> <hr/>
At 31 March 2020	5,127
	<hr/> <hr/>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

12. Debtors

	2021 £	2020 £
Due within one year		
Prepayments and accrued income	1,579	2,632
Tax recoverable	5,100	15,584
	<u>6,679</u>	<u>18,216</u>

13. Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	11,519	11,579
Grants accrued - institutional	147,956	117,930
	<u>159,475</u>	<u>129,509</u>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Motor Vehicle	17,067	-	-	-	17,067
General funds					
General Funds	371	42,873	(43,289)	15,326	15,281
Total Unrestricted funds	17,438	42,873	(43,289)	15,326	32,348
Restricted funds					
Medical Health	9,481	15,213	(12,094)	(2,500)	10,100
St Luke's Hospital	950	625	-	-	1,575
St Luke's - Operating Theatre	29,386	-	(5,999)	(23,387)	-
St Martin's Hospital	600	800	-	-	1,400
Sponsor-a-bed	1,941	436	(2,000)	234	611
St Martin's staff houses	5,251	-	(11,000)	5,749	-
St Anne's Hospital	87,753	-	(87,753)	-	-
Bursaries and school fees	2,509	5,025	(8,211)	2,676	1,999
Solar power for health centre	-	24,344	(22,423)	2,425	4,346
Classrooms	8,457	500	150	(9,107)	-
Donald Arden Bursary Fund	11,078	3,376	(2,317)	-	12,137
Donald Arden Memorial Fund	10,004	-	(2,642)	-	7,362
Gifts list	4,842	3,700	(1,046)	(5,377)	2,119
Vocational courses for women	2,662	30	-	(280)	2,412
Chilema equipment	3,219	-	-	(1,000)	2,219
Magomero	1,572	1,941	(3,195)	-	318
Post Covid Support Fund	10,000	3,218	(25,670)	12,452	-
Other restricted fund projects	2,893	9,793	(13,233)	2,789	2,242
	192,598	69,001	(197,433)	(15,326)	48,840
Total of funds	210,036	111,874	(240,722)	-	81,188

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds					
Designated funds					
Motor Vehicle	17,067	-	-	-	17,067
General funds					
General Funds	1,709	55,169	(28,238)	(28,269)	371
Total Unrestricted funds	18,776	55,169	(28,238)	(28,269)	17,438
Restricted funds					
Medical Health	-	10,731	(1,250)	-	9,481
St Luke's Hospital	-	950	-	-	950
St Luke's - Operating Theatre	4,801	26,565	-	(1,980)	29,386
St Martin's Hospital	-	600	-	-	600
Sponsor-a-bed	1,243	438	-	260	1,941
St Martin's staff houses	14,191	-	(8,940)	-	5,251
St Anne's Hospital	88,724	-	(971)	-	87,753
Education Buildings	-	2,887	(10,723)	7,836	-
St Michael's School	1,600	1,200	-	(2,800)	-
Bursaries and school fees	-	8,660	(14,921)	8,770	2,509
Classrooms	-	70,353	(61,659)	(237)	8,457
Donald Arden Bursary Fund	11,036	3,936	(3,894)	-	11,078
Donald Arden Memorial Fund	14,438	-	(4,434)	-	10,004
Gifts list	4,571	4,111	(2,232)	(1,608)	4,842
Vocational courses for women	3,561	-	(1,384)	485	2,662
Chilema equipment	2,860	359	-	-	3,219
Magomero	-	3,649	(5,191)	3,114	1,572
Post Covid Support Fund	-	-	-	10,000	10,000
Other restricted fund projects	6,747	1,142	(9,425)	4,429	2,893
	153,772	135,581	(125,024)	28,269	192,598
Total of funds	172,548	190,750	(153,262)	-	210,036

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

14. Statement of funds (continued)

15. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	17,067	-	-	-	17,067
General funds	371	42,873	(43,289)	15,326	15,281
Restricted funds	192,598	69,001	(197,433)	(15,326)	48,840
	<u>210,036</u>	<u>111,874</u>	<u>(240,722)</u>	<u>-</u>	<u>81,188</u>

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Designated funds	17,067	-	-	-	17,067
General funds	1,709	55,169	(28,238)	(28,269)	371
Restricted funds	153,772	135,581	(125,024)	28,269	192,598
	<u>172,548</u>	<u>190,750</u>	<u>(153,262)</u>	<u>-</u>	<u>210,036</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,716	-	1,716
Current assets	190,107	48,840	238,947
Creditors due within one year	(159,475)	-	(159,475)
Total	<u>32,348</u>	<u>48,840</u>	<u>81,188</u>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT CIO

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

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	5,127	-	5,127
Current assets	23,890	310,528	334,418
Creditors due within one year	(11,579)	(117,930)	(129,509)
Total	<u>17,438</u>	<u>192,598</u>	<u>210,036</u>

17. Related party transactions

During the year, the trustees gave a total of £10,137 (2020: £18,084) in donations to the charity.