

**REGISTERED CHARITY NUMBER: 284717**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020  
FOR  
THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST  
(FORMALLY ZAMBIA ANGLICAN COUNCIL CHARITABLE TRUST)**

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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# **THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. They have adopted the provisions of the statement of Recommended practice (SORP) 'Accounting and Reporting by Charities' (FRS 102)

### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity Number 284717**

#### **Principal address**

41 Doulton Gardens  
Poole  
Dorset  
BH14 8RG

#### **Trustees**

Mr A P Cairns  
Mrs F E H Cairns  
Dr J A Cooper  
Mrs E M Hamilton  
Dr S Parkinson

#### **Independent Examiner**

C Dunn FCCA  
Newton Magnus Limited  
Chartered Certified Accountants  
Statutory Auditors  
Arrowsmith Court  
Station Approach  
Broadstone  
Dorset  
BH18 8AT

#### **Bankers**

Royal Bank of Scotland  
Middlesbrough Branch  
2 Albert Road  
Middlesbrough  
TS1 1PR

### **STRUCTURE, GOVERNANCE AND MANAGEMENT OBJECTIVES AND ACTIVITIES**

#### **Governing Document Objectives and Aims**

The charity is controlled by its governing document: a Deed of Trust, and constitutes an unincorporated charity.

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**OBJECTIVES AND ACTIVITIES (continued)**

The Trust was formed by a Deed dated 22 July 1982 for the benefit of poor persons, relief of sick persons and for education purposes in the country of Zambia. For many years the Trust has supported exclusively the work of St Francis Hospital, Katete in Zambia and the Trustees intend to continue that support for the foreseeable future. The hospital, founded in 1948, is a second level referral hospital with 450 beds and is the largest church run hospital in Zambia. Currently it supervises a large number of patients with HIV on anti-retroviral therapy; the funds for this are received through the Churches Health Association of Zambia. In principle, the hospital is funded by the Zambian Ministry of Health at a level of 75% of what it costs the government to run their own hospitals. In practice the funding has been rather erratic recently. The Zambian medical and nursing staff are on the Government payroll. The shortfall must be found by the hospital. Some funds raised in the UK are also used by the hospital to pay 'top up' allowances to certain Zambian doctors who have chosen to work in a very rural area, 300 miles from the capital, where they would be able to add to their income through private practice. In addition, funds pay expatriate doctors on volunteer terms (basic £250/month, with rent free accommodation).

**Risk Management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trust holds a Current and Deposit account at the Royal Bank of Scotland for day to day transactions.

**Trustees appointment**

New trustees are appointed by agreement with the existing trustees. The current trustees are all from either a medical or financial background and support the hospital. Trustees are inducted by the existing trustees in the responsibilities requirements of a trustee.

**Public benefit, objectives and activities**

The Charity has given due regard to public benefit when planning the charities activities, in accordance with section G2 and G3 of the Charity Commission's General guidance on Public Benefit (January 2008). The paragraphs above and below set out the Charities activities, achievements and performance during the year, which are directly related to the objects and purposes for which the charity exists.

**Income**

There is a steady income from donors mostly living in the UK, many doctors and relatives of doctors who have worked at the hospital.

**Gift Aid**

Gift Aid claims were made quarterly during the year. The last Gift Aid claim was made on 10<sup>th</sup> December 2020 for £2,684.75 has been submitted.

**Heather Godfrey Fund**

These funds (Originally £100,000 plus £20,000 received in 2017)) donated by a Physiotherapist who worked for some time at the hospital are to date have been paid (see below). Part of this fund has been used during the year to pay for the new oxygen plant.

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT  
OBJECTIVES AND ACTIVITIES (continued)**

**Financial Review**

During the year income was down on the previous year from £112,516 to £83,491. Charitable expenditure increased from £85,683 to £158,439. £115,000 was due to the purchase of an oxygen plant.

**Reserves**

The Charity holds some restricted funds (£78,056 and £98,869 in 2019) and a General Reserve, (£24,599 and £78,734 in 2019) all reserves are in some way to be distributed to St Francis Hospital.

**Comment**

As the Trustees live far apart, two in Scotland, another in London, and the two in Wilts and Dorset, holding a meeting is not easy. The last meeting was held in July 2018 the meeting was held in Poole, which all Trustees attended. All other communication is by email with proposed payments to Zambia being recorded and acknowledged by each Trustee, before any payment is made.

The Trustees maintain close contact with St Francis Hospital. Andrew Cairns has visited once in the past year spending two weeks in January at his own expense. No Charity funds were used for these visits. Regular contact is also maintained throughout the year by Andrew Cairns with the hospital through the Manager Administration and Medical Superintendent. James Cairns, the husband of Faith Cairns (Trustee) a former Medical Superintendent (38 years) continues to be responsible for recruiting overseas staff, a further route of frequent contact with the hospital.

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Trustees responsibilities**

Charity law 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 financial activities for that period and adequately distinguish any material special trust or other restricted fund of the charity. In preparing those financial statements the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether the policies adopted are in accordance with the appropriate SORP on Accounting by Charities and the Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity, and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.



Andrew Cairns  
Trustee

21.5.2021

Dated :

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST  
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

I report on the accounts for the year ended 31 December 2020 set out on pages six to twelve.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under Section 144 of the Charities Act 2011 and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the Charities Act 2011
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the charities Act); and
- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**


My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
  - to keep accounting records in accordance with Section 130 of the Charities Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

C Dunn FCCA  
Newton Magnus Limited  
Chartered Certified Accountants & Statutory Auditors  
Arrowsmith Court  
Station Approach  
Broadstone  
Dorset  
BH18 8AT

  
Date: 2-6-2021

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Donations	2	-	83,347	83,347	112,193
Investment income	3	<u>144</u>	<u>-</u>	<u>144</u>	<u>323</u>
<b>Total incoming resources</b>		144	83,347	83,491	112,516
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>	4				
Charitable expenditure		<u>54,279</u>	<u>104,160</u>	<u>158,439</u>	<u>85,683</u>
<b>Total resources expended</b>		<u>54,279</u>	<u>104,160</u>	<u>158,439</u>	<u>85,683</u>
<b>NET (OUTGOING)/INCOMING RESOURCES</b>		(54,135)	(20,813)	(74,948)	26,833
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>78,734</u>	<u>98,869</u>	<u>177,603</u>	<u>150,770</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>24,599</u></u>	<u><u>78,056</u></u>	<u><u>102,655</u></u>	<u><u>177,603</u></u>

The notes form part of these financial statements



**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

**BALANCE SHEET  
AT 31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>Current Assets</b>					
Cash at bank		24,599	78,056	102,655	177,603
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Current Assets</b>		24,599	78,056	102,655	177,603
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Current Liabilities</b>					
Creditors and accruals		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<hr/>	<hr/>	<hr/>	<hr/>
		24,599	78,056	102,655	177,603
		<hr/>	<hr/>	<hr/>	<hr/>
<b>FUNDS</b>	6				
Unrestricted funds		24,599	-	24,599	78,734
Restricted funds		-	78,056	78,056	98,869
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total assets less current liabilities</b>		24,599	78,056	102,655	177,603
		<hr/>	<hr/>	<hr/>	<hr/>

The financial statements were approved by the Board of Trustees on 21.5.2021  
and were signed on its behalf by:

*A.P. Cairns*

.....  
A P Cairns – Trustee

# THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1. ACCOUNTING POLICIES

#### Accounting Convention

The financial statements

have been prepared under the historical cost convention, and in accordance with the Charities Act 2011 and the requirements of the Statement of Recommended Practice, (FRS 102 1A) Accounting and Reporting by Charities.

The financial statements have been prepared on the going concern basis as there is no material uncertainties about the Charity's ability to continue.

Presentation currency is Pounds Sterling.

#### Incoming Resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### Resources Expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### Taxation

The charity is exempt from tax on its charitable activities.

#### Fund Accounting

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

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

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

### 2. VOLUNTARY INCOME

	2020	2019
	£	£
Donations	<u>83,347</u>	<u>112,193</u>

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**3. INVESTMENT INCOME**

	2020	2019
	£	£
Interest receivable	<u>144</u>	<u>323</u>

**4. CHARITABLE EXPENDITURE**

	2020		2019	
	Un-restricted	Restricted	Un-restricted	Restricted
Just giving costs	216	-	216	-
Donations	54,063	104,160	-	85,467
	<u>54,279</u>	<u>104,160</u>	<u>216</u>	<u>85,467</u>

**5. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Trustees' Expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Trustees Unclaimed Expenses**

During the year A P Cairns made one visits to St Francis Hospital and no funds from the Trust were used. The cost of this trip funded personally by himself was approximately £2,000.

**6. FUNDS - Current Year**

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
<b>Unrestricted funds</b>			
General fund	78,734	(54,135)	24,599
<b>Restricted funds</b>			
Restricted	98,869	(20,813)	78,056
	<u>177,603</u>	<u>(74,948)</u>	<u>102,655</u>

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. FUNDS - Current Year(continued)**

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

	At 1.1.20	Incoming Resources £	Resources Expended £	At 31.12.20 £
<b>Unrestricted funds</b>				
General Fund	78,734	144	(54,279)	24,599
<b>Restricted funds</b>				
Vocational training fund	23,547	-	(2,105)	21,442
Medical fund	22,493	40,326	(28,326)	34,493
AIDS Orphans	8,672	10,922	(11,193)	8,401
SFH Projects	-	8,039	-	8,039
Senior Staff Retention	2,801	1,425	(800)	3,426
OVC Christian Aware	1,098	1,957	(800)	2,255
Oxygen Plant	40,258	20,678	(60,936)	-
<b>TOTAL FUNDS</b>	<u>177,603</u>	<u>83,491</u>	<u>158,439</u>	<u>102,655</u>

Summary of assets by funds – current year

	Unrestricted £	Restricted £	Total £
Cash in hand and at bank	24,599	78,056	102,655
<b>FUNDS – PRIOR YEAR</b>			
	At 1.1.19	Net movement in funds	At 31.12.19
	£	£	£
<i>Unrestricted funds</i>			
General fund	78,627	107	78,734
<i>Restricted funds</i>			
Restricted	72,143	26,726	98,869
<b>TOTAL FUNDS</b>	<u>150,770</u>	<u>26,833</u>	<u>177,603</u>

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. FUNDS – PRIOR YEAR (continued)**

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

	At 1.1.19	Incoming Resources £	Resources Expended £	Transfers £	At 31.12.19 £
<b>Unrestricted funds</b>					
General Fund	78,627	323	(216)	-	78,734
<b>Restricted funds</b>					
Vocational training fund	24,177	-	(630)	-	23,547
Medical fund	25,900	50,347	(62,336)	8,582	22,493
AIDS Orphans	8,341	18,366	(18,035)	-	8,672
New Childrens Ward	5,015	-	-	(5,015)	-
Fight Against Malaria	1,055	-	-	(1,055)	-
Maitland Trust	1,000	-	-	(1,000)	-
SFH Projects	2,699	-	-	(2,699)	-
Maintenance Fund	1,190	364	(1,966)	412	-
Simon Pook	225	-	-	(225)	-
Senior Staff Retention	1,701	1,800	(700)	-	2,801
OVC Christian Aware	840	2,058	(1,800)	-	1,098
Oxygen Plant	-	39,258	-	1,000	40,258
<b>TOTAL FUNDS</b>	<b>150,770</b>	<b>112,516</b>	<b>85,683</b>	<b>-</b>	<b>177,603</b>

*Summary of assets by funds – Prior Year*

	Unrestricted £	Restricted £	Total £
Cash in hand and at bank	78,734	98,869	177,603

## THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

#### 6. FUNDS (continued)

The restricted funds are held for the following purposes:

**Vocational Training Fund:** is used for vocational training of members of staff at Saint Francis Hospital

**Medical Fund:** Is used primarily to pay top up salaries for senior members of staff at the hospital. These top ups go some way towards matching the income that these members of staff would otherwise receive if they were to work in the city. In addition funds are used to pay the salaries of expatriate overseas doctors. Depending on how long the overseas doctors are prepared to go to the hospital, the fund will also pay for part of their airfare.

**Aids Orphans:** the fund pays for the maintenance, upkeep, counselling, transport costs and school fees. Currently we are looking after approximately 1,500 children.

**New Children's Ward:** several years ago the medical services group of the Netherlands provided the funds to build a new children's ward. We were asked to pay for the runway between the new ward and the hospital. The funds were also used to improve the ablutions in the maternity ward.

**Fight Against Malaria:** at the moment these funds are not earmarked for any particular project. It is intended however that A Cairns will ask the hospital on my next visit how the funds might be used in connection with malaria.

**Maitland Trust:** we receive regular donations from the Maitland Trust. On receipt the hospital management are always asked for a project for the funds. Last year these funds were used to acquire equipment to distribute oxygen to the hospital.

**Maintenance fund :** is used to purchase materials in Zambia so that maintenance work can be carried out.

**Simon Pook :** is to be used for equipment to ease the plight of many of the patients.

**SFH Projects :** for one off special project

**Senior staff retention :** for retention payments for senior Zambian doctor

**OVC Christian Aware :** are used for the maintenance, upkeep, counselling, transport costs and school fees.

**Oxygen Plant :** are used to build an oxygen plant at the hospital.

#### 7. RELATED PARTY TRANSACTIONS

During 2019 The Friends of St Francis Katete Charitable Trust donated money to COVCESP a charity which Mr A Cairns is treasurer. (Nil in 2020).

**THE FRIENDS OF ST FRANCIS KATETE CHARITABLE TRUST**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
<b>Incoming Reserves</b>				
<b>Voluntary Income</b>				
Donations	-	83,347	83,347	112,193
<b>Investment Income</b>				
Interest receivable	144	-	144	323
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Incoming Resources</b>	144	83,347	144	112,516
<b>Resources Expended</b>				
<b>Charitable Activities</b>				
Just Giving	(216)	-	(216)	(216)
St Francis	(54,063)	(104,160)	(158,223)	(85,467)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Resources Expended</b>	(54,279)	(104,160)	(158,439)	(85,683)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (Expenditure)/Income</b>	(54,135)	(20,813)	(74,948)	26,883
	<hr/>	<hr/>	<hr/>	<hr/>