

Charity number: 1025616

**Malawi Association for Christian Support
Trustees' report and financial statements
for the year ended 31 March 2013**

Malawi Association for Christian Support

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Malawi Association for Christian Support

Legal and administrative information

Charity number	1025616	
Correspondence address	The Cottage 72 North Street Biddenden Kent TN27 8AS	
Patron	Bishop Donald Arden	
Trustees	Jane Arden Richard Barton Annie Barton-Hodges Tony Cox Richard Davies Eileen Eggington Colin Gardner Anthea Griggs Sally Huband Julie Lupton Susannah Woodd	Newsletter and Supporters' Data base Chairman Fundraising Bursaries Fundraising Project Officer Treasurer Vice-Chairman Website Secretary Medical Projects
Malawian Representative	Grafiud Tione	
Website Co-ordinator	Peter Woodhouse	
Independent examiner	Stuart Harrison ACA Millhouse 32-38 East Street Rochford Essex SS4 1DB	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
	Santander UK plc Bridle Road Bootle Merseyside L30 4GG	

Malawi Association for Christian Support

Report of the trustees for the year ended 31 March 2013

The trustees present their report and the financial statements for the year ended 31 March 2013. The trustees who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

The association was created by a deed of trust dated 27th February 1993. The board of trustees is authorised by the deed of trust to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

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 our 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.

Objectives and activities

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.

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, AIDS/HIV, Orphans and Community projects, Food security, Churches and Clergy Houses and Women's projects. MACS Supports local groups and organisations but not individuals. The majority of requests for help come via the 4 Anglican Dioceses in Malawi.

MACS builds and repairs classrooms and teachers' houses. The charity donates money to hospitals and health centres for essential drugs and equipment and the building of staff houses. Workshops are funded to raise awareness of HIV, orphans are supported in feeding programmes, in funding school fees and assisting orphan centres. MACS builds and repairs churches, buys bicycles for the clergy, builds and repairs clergy houses. Women's training groups can apply for funds and small scale income generation projects may be funded. MACS assists in water projects, repairing dams and boreholes and building water tanks.

Achievements and performance

Introduction

2012-2013 has been a busy year for MACS. The political situation in Malawi was more stable than in 2011-12 and fuel was, on the whole, more accessible. This meant our representative, Grafiud Tione, was able to monitor projects regularly and effectively. Our project officer made an annual inspection trip in late September of 2012. Of the 38 applications received during this year, 19 were approved and 6 were completed within the year. A further 18 projects approved in previous years were also finished. In addition, at the end of the year, 20 projects were still on-going.

Supporters have been updated on MACS work through the mailing of a newsletter twice a year. This has been produced by Jane Arden and prepared for the printers by Kristina Bartlette. Kristina helped produce the newsletter, gift lists and information leaflet over a number of years. Trustees expressed their gratitude to her when she stepped down from doing this towards the end of 2012. Supporters can also follow developments and news via our website, Facebook and Twitter.

The Board of Trustees has met seven times during the year. Dr Susannah Woodd joined us in December 2012 and is working with our Projects officer but focussing on Medical projects. Annie Barton Hodges, Richard Davies and Anthea Griggs have formed a Fund-raising sub-committee with responsibility for grant applications, the Gift List and other fund-raising activities.

Malawi Association for Christian Support

Report of the trustees for the year ended 31 March 2013

Projects

* A total of £72,337 has been allocated to projects during the year. The exchange rate and inflation remained fairly stable during the year although subsequently there was a substantial devaluation of the Kwacha resulting in a large increase in the cost of imported materials. All project proposals placed before Trustees are carefully considered. Once again we have undertaken a wide variety of projects.

Parish and Diocesan Support £15,060

Trustees have been able to support building and renovation work of churches as well as enabling some worthwhile training courses. Examples of such work are:

A church roof at St Luke's, Nakapa village in Mangochi East.

The plastering, flooring and pointing of St Michael's, Nembere, in Magomero parish

Part-funding for ten Anglican students on the Chilema Women's Vocational course;

Because of spiralling costs in Malawi, some projects previously approved, run out of funds before completion. Grafiud Tione advises on whether funds have been well spent and recommends additional grants to enable completion. The roof at St Luke's church in Liwaladzi is one such example.

Health £16,629

Trustees have been able to help with a combination of support for building and upgrading hospital staff housing, training of both hospital staff and people in the wider community as well as providing specific items requested.

A considerable amount of work is going on at St Martin's Hospital, Mangochi, with the installation of electric meters in 25 staff houses.

The repair of solar lighting at Lulanga Health Centre and staff house.

A most successful orthopaedic programme in Mangochi district in conjunction with CBM and Dr Steve Mannion was carried out in December with a follow up due in June 2013.

The Sponsor a Bed scheme has raised £1031 with the money split between St Martin's and St Luke's Hospitals.

Help has been given to medical staff with training.

Education £24,596

Teachers' housing continues to be a priority, either the construction of new housing or renovation of existing houses.

This year we completed a Headteacher's house at Malindi with a new toilet and soakaway and approved the renovation of a servants quarters into a three bedroomed teacher's house, also in Malindi.

Having successfully completed a classroom block at Chombo in November 2012 we approved the building of a similar block for Mkanda Primary in Likhubula Parish in January.

Work has gone on all year preparing plans for two new hostels at Nkope Blind school. Fundraising continues for the boys' hostel but building of the girls' hostel commenced in May 2013.

Bursary schemes for young people at both St Michael's and Malosa Secondary School continue to be well monitored with reports coming from the schools on a termly basis. The Archbishop Donald Arden Bursary for the education of children of priests continues with additional students each year. Fees have risen again during the past year.

Community and Training £8,522

Msalawatha village in Neno district has benefitted from a new bridge allowing access for a drill to install a much-needed borehole.

Following a successful Mothers' Union training workshop in making fuel efficient stoves, we paid for the purchase of paddle moulds to help with the stove production.

Miscellaneous £7,530

Funds are still regularly channelled to Mkate wa Moyo.

Money was given to MACOBO for tyres and tubes for the volunteers' bicycles

Malawi Association for Christian Support

Report of the trustees for the year ended 31 March 2013

FUNDRAISING:

Funds are raised by individuals and by various groups such as schools and congregations. Following talks by trustees, many groups undertake to support specific projects. Trustees have formed a Fund-raising sub-committee to look at ways of improving our fundraising. Some ways in which fundraising has been on-going are through the following initiatives:

Gift List: MACS once again produced its annual Gift List of alternative presents. This raised a total of £8974.

Grant applications to relevant charities: MACS has put project proposals and grant applications to various charities to find additional funding for such projects as the Nkope Water project.

Facebook and Twitter: regular updates to these accounts keep our members informed of current issues and successes.

Website: we continue to be grateful to Sally Huband and Peter Woodhouse for their work in maintaining our website.

Individuals and churches: we are grateful to individuals who not only raise the profile of MACS but also raise funds through such activities as cycling, running and singing and giving talks. The Mareway Group of churches continues to support the building of Magomero Church; St Lukes, Watford have raised funds to finance the building of a new maternity unit at Nkasala; Iford churches continue to support work at Chilema.

Supporters

We remain indebted to all MACS supporters, be they individuals, churches, schools or other groups for their interest and for their financial and prayerful support. Together with the people of Malawi we are working towards a better future.

Financial review

The income for the year was £180,040 as compared to the previous year of £150,939. The expenditure for the year was £88,871 as compared to the previous year of £132,673. As a consequence, the surplus for the year was £91,169 compared to a surplus of £18,266 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 £50,791 (2012: £60,770) were approved but not distributed at the end of the year. The trustees anticipate that these funds will be disbursed by the end of the current year.

It is the policy of the trustees to make grants to suitable applicants subject only to the available resources. As a grant making charity with over 90% of income being paid out as grants, the trustees have minimal requirements as to maintaining free reserves. The trustees therefore plan to maintain reserves at a level equivalent to two months unrestricted income. At 31st March 2013 the unrestricted funds amounted to 5.7 months income (2012: 1.4 months).

Malawi Association for Christian Support

Report of the trustees for the year ended 31 March 2013

Statement of trustees' responsibilities

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

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which 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 and the Charity (Accounts and Reports) Regulations 2008. 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

On behalf of the board

Secretary

Malawi Association for Christian Support

Independent examiner's report to the trustees on the unaudited financial statements of Malawi Association for Christian Support.

I report on the accounts of Malawi Association for Christian Support for the year ended 31 March 2013 set out on pages 7 to 13.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under Section 144(1) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the 2011 Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5) of the 2011 Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 1301 of the 2011 Act; and
 - to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or

- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Stuart Harrison ACA
Independent examiner

Millhouse
32-38 East Street
Rochford
SS4 1DB

Malawi Association for Christian Support

Statement of financial activities

For the year ended 31 March 2013

	Notes	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	69,082	110,389	179,471	150,440
Investment income	3	569	-	569	499
Total incoming resources		<u>69,651</u>	<u>110,389</u>	<u>180,040</u>	<u>150,939</u>
Resources expended					
Charitable activities	4	30,955	57,917	88,872	132,673
Total resources expended		<u>30,955</u>	<u>57,917</u>	<u>88,872</u>	<u>132,673</u>
Net incoming resources before transfers					
		38,696	52,472	91,168	18,266
Transfers between funds		(12,510)	12,510	-	-
Net income for the year		<u>26,186</u>	<u>64,982</u>	<u>91,168</u>	<u>18,266</u>
Total funds brought forward		7,057	100,315	107,372	89,106
Total funds carried forward		<u>33,243</u>	<u>165,297</u>	<u>198,540</u>	<u>107,372</u>

The notes on pages 9 to 13 form an integral part of these financial statements.

Malawi Association for Christian Support

Balance sheet as at 31 March 2013

	Notes	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	8		6,707		9,457
Current assets					
Debtors	9	24,853		17,312	
Cash at bank and in hand		221,172		144,477	
		<u>246,025</u>		<u>161,789</u>	
Creditors: amounts falling due within one year	10	(54,192)		(63,874)	
Net current assets			<u>191,833</u>		<u>97,915</u>
Net assets			<u>198,540</u>		<u>107,372</u>
Funds	11				
Restricted income funds			165,297		100,315
Unrestricted income funds			33,243		7,057
Total funds			<u>198,540</u>		<u>107,372</u>

The financial statements were approved by the trustees on 26 June 2013 and signed on its behalf by

Richard Barton
Trustee

The notes on pages 9 to 13 form an integral part of these financial statements.

Malawi Association for Christian Support

Notes to financial statements for the year ended 31 March 2013

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Charities Act 2011.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Income from investments is included in the year in which it is receivable.

1.3. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Motor vehicles - 18% straight line

2. Voluntary income

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Donations Gift Aid	42,776	22,641	65,417	64,258
Donations Non Gift Aid	15,612	81,815	97,427	70,149
Gift Aid tax refunds	10,694	5,933	16,627	16,033
	<u>69,082</u>	<u>110,389</u>	<u>179,471</u>	<u>150,440</u>

Malawi Association for Christian Support

Notes to financial statements for the year ended 31 March 2013

3. Investment income

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Bank interest receivable	569	-	569	499
	<u>569</u>	<u>-</u>	<u>569</u>	<u>499</u>

4. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Grant making activities	30,955	57,917	88,872	132,673
	<u>30,955</u>	<u>57,917</u>	<u>88,872</u>	<u>132,673</u>

5. Costs of charitable activities - by activity

	Grant funding activities £	2013 Total £	2012 Total £
Grant making activities	88,872	88,872	132,673
	<u>88,872</u>	<u>88,872</u>	<u>132,673</u>

6. Employees

No salaries or wages have been paid to employees, including the trustees, during the year.

7. Trustees travelling expenses

Each year the Project Officer goes to Malawi to review as many projects as possible. The cost of the visit this year was £1,638 (2012: £1,976). No other travelling expenses have been paid to the trustees.

Malawi Association for Christian Support

Notes to financial statements for the year ended 31 March 2013

8. Tangible fixed assets	Motor vehicles	Total
	£	£
Cost		
At 1 April 2012 and At 31 March 2013	15,275	15,275
	<u> </u>	<u> </u>
Depreciation		
At 1 April 2012	5,818	5,818
Charge for the year	2,750	2,750
	<u> </u>	<u> </u>
At 31 March 2013	8,568	8,568
	<u> </u>	<u> </u>
Net book values		
At 31 March 2013	6,707	6,707
	<u> </u>	<u> </u>
At 31 March 2012	9,457	9,457
	<u> </u>	<u> </u>
9. Debtors	2013	2012
	£	£
Gift aid tax	16,627	13,660
Prepayments and accrued income	8,226	3,652
	<u> </u>	<u> </u>
	24,853	17,312
	<u> </u>	<u> </u>
10. Creditors: amounts falling due within one year	2013	2012
	£	£
Grants approved not disbursed	50,791	60,770
Other creditors	2,480	3,104
Accruals and deferred income	921	-
	<u> </u>	<u> </u>
	54,192	63,874
	<u> </u>	<u> </u>

Malawi Association for Christian Support

Notes to financial statements for the year ended 31 March 2013

11. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2013 as represented by:			
Tangible fixed assets	-	6,707	6,707
Current assets	36,644	209,381	246,025
Current liabilities	(3,401)	(50,791)	(54,192)
	<u>33,243</u>	<u>165,297</u>	<u>198,540</u>

12. Unrestricted funds

	At 1 April 2012 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2013 £
General	4,645	69,651	(30,414)	(10,639)	33,243
2011 Trip funds	2,412	-	(541)	(1,871)	-
	<u>7,057</u>	<u>69,651</u>	<u>(30,955)</u>	<u>(12,510)</u>	<u>33,243</u>

Malawi Association for Christian Support

Notes to financial statements for the year ended 31 March 2013

13. Restricted funds	At	Incoming resources	Outgoing resources	Transfers	At
	1 April 2012				31 March 2013
	£	£	£	£	£
Bishop Brothers	6,046	52,000	(13,429)	1,456	46,073
Medical health	13,676	6,285	(8,404)	-	11,557
St Luke's hospital	604	710	-	-	1,314
St Martins hospital	8,080	1,661	(4,255)	-	5,486
Sponsor a bed	557	406	(781)	625	807
Nurse training	2,778	-	(1,274)	-	1,504
Mosquito nets	-	325	-	(325)	-
Education	805	3,199	(5,405)	1,877	476
St Michael's school	877	710	(6,882)	5,633	338
Bursaries	-	2,381	(5,467)	3,680	594
Nkope dormitories	14,045	21,215	(1,389)	3,598	37,469
Nkope dormitories equipment	1,217	2,343	-	465	4,025
Nkope school	-	25	-	-	25
Nkope Health Centre	287	2,386	(1,225)	-	1,448
Orphans	5,964	482	-	855	7,301
Aids	-	56	-	-	56
Donald Arden Fund	23,866	77	(235)	-	23,708
Gifts menu	4,106	8,974	(1,091)	(5,809)	6,180
Vocational courses for women	456	284	(345)	110	505
Horticulture	46	385	-	249	680
Chilema Equipment	-	81	-	-	81
St Chads - Mkata wa Moyo	1,235	5,050	(6,256)	(29)	-
Haslingfield and Eversden churches	-	1,354	(1,479)	125	-
Motor vehicle	15,670	-	-	-	15,670
	<u>100,315</u>	<u>110,389</u>	<u>(57,917)</u>	<u>12,510</u>	<u>165,297</u>

Transfers

During the year amounts totalling £5809 (2012 - £7450) received via the Gifts Menu leaflet were reallocated to the specific funds indicated by the individual donors. A total of £325 (2012 - £2800) was transferred from the Mosquito nets fund to the Bishop Brothers fund in part repayment of monies spent from that fund in purchasing mosquito nets.

14. Expenditure analysis

	2013	2013	2012	2012
	£	%	£	%
Grants	72,337	82.45%	114,758	86.50%
Malawi projects supervision costs	12,088	13.78%	13,973	10.53%
UK Expenses	3,314	3.78%	3,942	2.97%
	<u>87,739</u>	<u>100.00%</u>	<u>132,673</u>	<u>100.00%</u>

Malawi Association for Christian Support

The following pages do not form part of the statutory accounts.

Malawi Association for Christian Support

Detailed statement of financial activities

For the year ended 31 March 2013

	2013		2012	
	£	£	£	£
<i>Voluntary income</i>				
Donations Gift Aid		65,417		64,258
Donations Non Gift Aid		97,427		70,149
Gift Aid tax refunds		16,627		16,033
		<hr/>		<hr/>
		179,471		150,440
<i>Investment income</i>				
Bank interest receivable		569		499
		<hr/>		<hr/>
Total incoming resources		<u>180,040</u>		<u>150,939</u>

Malawi Association for Christian Support

Detailed statement of financial activities

For the year ended 31 March 2013

	2013	2012
	£	£
Expenditure		
Grants	72,337	114,758
Malawian representative retainer	2,893	2,887
Malawian representative travelling	4,255	4,904
Malawian representative telephone	1,208	2,184
Depreciation - motor vehicle	2,750	2,750
Project Officer trip to Malawi	1,638	1,976
Room hire	518	408
Bank charges	318	294
Printing	1,636	1,740
Postage	1,132	440
Sundry expenses	186	332
	<hr/>	<hr/>
	88,871	132,673
Total charitable activity expenditure	<hr/> <hr/>	<hr/> <hr/>
	88,871	132,673
Net incoming/(outgoing) resources for the year	<hr/> <hr/>	<hr/> <hr/>
	91,169	18,266