

Charity number: 1025616

**Malawi Association for Christian Support
Trustees' report and financial statements
for the year ended 31 March 2011**

Malawi Association for Christian Support

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Malawi Association for Christian Support

Legal and administrative information

Charity number	1025616	
Correspondence address	2 Ashurst Cottages Plumpton Nr. Lewes Sussex BN7 3AP	
Patron	Donald Arden	
Trustees	Jane Arden Richard Barton Rachel Eaton Eileen Eggington Colin Gardner Anthea Griggs Sally Huband Bridget Le Huray Christine Matthews Tony Cox Julie Lupton Richard Davies	Newsletter and Supporters' Data base Chairman Fundraising Project Officer Treasurer Vice Chair Secretary Medical Projects Bursaries Appointed 2nd March 2011 Appointed 13th April 2011
Independent examiner	R.F.J. West-Webbe FCCA 44-50 High Street Rayleigh Essex SS6 7EA	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ Santander Bridle Road Bootle Merseyside L30 4GG	

Malawi Association for Christian Support

Report of the trustees for the year ended 31 March 2011

The trustees present their report and the financial statements for the year ended 31 March 2011. 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.

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

MACS has had another busy year. The large projects funded by the substantial legacy we received are now being finalised. Progress on these is as follows:

- * The building of a second girls' hostel at Malosa. There have been ongoing delays with this project due to the departure of the headmaster. However the hostel is now nearing completion and should be ready for students by the September term.
- * Upgrading of the water supply at the six institutions at Chilema, Likwenu, Malosa and adjoining villages. One of the tanks was blown off its stand during a storm and has since been replaced. The other tanks have been protected by guard rails. Training in the maintenance has been carried out and a committee with representatives from the institutions manages the scheme. This first stage was completed and handed over in June 2011. There remains the replacement of the main asbestos pipes which will need to be done as soon as there is money available.
- * Building of 4 semi-detached houses at St Martin's Hospital Malindi. New contractors had to be found, but at last the houses are completed. Unfortunately they cost more than anticipated due to all the delays and the change in contractors.

Malawi Association for Christian Support

Report of the trustees for the year ended 31 March 2011

* Mosquito nets. Working with the Against Malaria Foundation, MACS was able to purchase 9,400 mosquito nets at cost of £24,500 which were distributed by MACOBO volunteers to 22 different villages prior to the last rainy season. A post distribution survey was carried out in February 2011. Verbal responses from beneficiaries indicated an estimated 95% drop in the number of cases of malaria. We expect that this will have led to a significant decrease in the number of cases admitted to St Luke's Hospital with malaria.

Inflation in Malawi has caused considerable problems. The price of cement has risen from 2650 MK (£11) to 3500MK (£14) a bag. (£7 a bag in the UK) There has also been a steep increase in the cost of fuel, and at times no fuel has been available. Consequently many of our projects have required additional money to complete and Grafiud Tione has not always been able to travel to view projects at an optimum time. The exchange rate between the Malawi Kwacha and £ sterling has been a little more stable but still causes headaches for both our Treasurer and Malawian representative. Despite these challenges, 32 building projects have been completed during the year.

MACS once again produced a Gift List which has raised a total of £10,074 including Gift Aid and this not only solves a problem for some of our supporters on 'what to give at Christmas and anniversaries', but also gives us very welcome additional funds. It is now possible for donors to contribute directly by Paypal, using the website.

The working party of 2010 led by Bazil Arden, raised a marvellous £6165. There were 11 travellers ranging in age from 14 to 83, and a report of their trip has been on the Website and also in the January newsletter.

A special fund has been set up to provide a Bursary for clergy children. This money was donated by supporters to celebrate the 70th anniversary of the ordination of Archbishop Donald Arden. Trustees hope that this scheme will commence in September 2011

The Board of Trustees has met 6 times during the year. We are pleased to have co-opted two new trustees since the last Annual General Meeting. Julie Lupton and Richard Davies, both of whom have spent a considerable amount of time living and working in Malawi. Tony Cox has taken over the management of the bursaries and has achieved much better feedback on the students we support at both St Michael's Malindi and Malosa Secondary School. Peter Woodhouse is now managing the website and it is now much more interesting and informative. If you haven't looked at it recently, we hope you will take another look and make this a regular habit as it changes regularly. www.malawimacs.org

Projects

A total amount of £138,939 has been allocated to projects during the year. Some of the money remains in this country until needed in Malawi to overcome the problems of a constantly changing Exchange Rate.

Church £21,043

10 Churches have received money, either to complete the building work or to make repairs to already existing churches. Those who have previously visited Nkope will be delighted to hear that the Priest's house there has at last been completed to a high standard and is now occupied. Funding was also given to the Diocese of Lake Malawi to enable them to run a conference following the appointment of the new Bishop there.

Malawi Association for Christian Support

Report of the trustees for the year ended 31 March 2011

Medical £42,779

The major expenditure has been on completing the 4 nurses houses at St Martin's Hospital, Malindi and the cost of the 9,400 mosquito nets. MACS agreed to sponsor 3 student nurses at St Luke's hospital as the Government withdrew funding for the first year. At the end of the first year, funding was resumed but MACS has continued to make up the shortfall for these students. Unfortunately funding has been withdrawn again and the students sent home. MACS is committed to continue funding these 3 students as soon as their training is able to be restarted. Money has also been given for training Home Care volunteers and patient attendants in hospital. With an acute shortage of nurses in the country, volunteers who can visit people at home or help care for patients in hospital are a vital component of caring for the sick. Funding has also been given to run a Mental Health Training course and a course on caring for disabled children. Support has also been given to the Nutrition gardens at St Luke's and a refresher course for Maintenance workers. The latter has been much appreciated and should save money in the future by helping to keep vital equipment and services in good order. The sponsor a bed scheme has raised £3355, the money being split between St Martin's Malindi and St Luke's Hospital.

Schools £59,624

Because of the delays in the building of the hostel at Malosa Secondary School, MACS allocated an additional £12,000 to this project. Teacher's houses in rural areas are always in demand and many are in poor condition. A total of 8 houses have either been built or repaired during the year. Money has also been allocated to build a laboratory at Nkhotakota secondary school. MACS has previously given money for 2 double classrooms at the school and a laboratory is needed to bring the school up to government recommended standards. Schools have also been given money either to build new classrooms or repair old ones. The money from the gift list has enabled us to send money to buy desks and text books at some of the poorest schools, but there is always a need for more. The bursary scheme continues and 14 students at Malosa co-educational secondary school and 14 at St Michael's girls' school Malindi are benefiting from the scheme.

Community £10,266

Agnes Mkoko who was for many years the head of the Mothers' Union in the Diocese of Upper Shire was sent a small amount of money to run a workshop in her village for the women there. Money has also been sent to MACOBO the organisation that distributed the mosquito nets and educated the villagers in their use. They were in great need of more bicycles to enable to carry out the project and MACS supplied them with special T shirts as a mark of appreciation for the successful completion of a huge project which has benefited at least 19,000 people. Money has also been sent to support Anglican women from the rural areas so that they could attend a course at Chilema. The 6 month course covers a variety of subjects such as nutrition, hygiene and child care.

On completion, the women are able to return to their homes and teach others the skills that they have learnt.

Other £5,226

A church in the UK St Chad's has raised money for several years to support orphan children. The project is called Mkata wa Moyo and a total of £3385.89 has been raised and sent over the past year. Money has also been sent to the Orphan Care Group at Malindi.

Once again we are indebted to all our supporters, not only for their financial help, but for their interest, their hard work and ingenuity in raising money, their concern and their prayers. Without all of you, MACS would not be able to continue to help the people in Malawi.

Malawi Association for Christian Support

Report of the trustees for the year ended 31 March 2011

Financial review

The income for the year was £157,576 as compared to the previous year of £172,771. The expenditure for the year was £157,652 as compared to the previous year of £216,989. As a consequence, the deficit for the year was £76 compared to a deficit of £44,218 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 £85,915 (2010: £138,578) 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 2011 the unrestricted funds amounted to 3 months income (2010: 2.9 months).

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 1993 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 2011 set out on pages 2 to 13.

Respective responsibilities of trustees and independent examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply and that an independent examination is needed. It is my responsibility to examine the accounts under section 43(3)(a) of the Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the 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 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 I do not express an audit opinion on the view given by the accounts.

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 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 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.

R.F.J. West-Webbe FCCA

Independent examiner

44-50 High Street
Rayleigh
Essex
SS6 7EA

Malawi Association for Christian Support

Statement of financial activities

For the year ended 31 March 2011

	Notes	Unrestricted funds £	Restricted funds £	2011 Total £	2010 Total £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	71,390	85,418	156,808	171,734
Investment income	3	768	-	768	1,037
Total incoming resources		<u>72,158</u>	<u>85,418</u>	<u>157,576</u>	<u>172,771</u>
Resources expended					
Charitable activities	4	71,435	86,217	157,652	216,989
Total resources expended		<u>71,435</u>	<u>86,217</u>	<u>157,652</u>	<u>216,989</u>
Net incoming/(outgoing) resources before transfers					
		723	(799)	(76)	(44,218)
Transfers between funds		(9,882)	9,882	-	-
Net income/(expenditure) for the year		<u>(9,159)</u>	<u>9,083</u>	<u>(76)</u>	<u>(44,218)</u>
Total funds brought forward		<u>27,571</u>	<u>61,611</u>	<u>89,182</u>	<u>133,400</u>
Total funds carried forward		<u>18,412</u>	<u>70,694</u>	<u>89,106</u>	<u>89,182</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 2011

	Notes	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	8		12,207		14,957
Current assets					
Debtors	9	11,382		13,546	
Cash at bank and in hand		162,110		203,593	
		<u>173,492</u>		<u>217,139</u>	
Creditors: amounts falling due within one year	10	<u>(96,593)</u>		<u>(142,914)</u>	
Net current assets			<u>76,899</u>		<u>74,225</u>
Net assets			<u>89,106</u>		<u>89,182</u>
Funds	11				
Restricted income funds			70,694		61,611
Unrestricted income funds			18,412		27,571
Total funds			<u>89,106</u>		<u>89,182</u>

The financial statements were approved by the trustees on 9 September 2011 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 2011

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 1993.

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 £	2011 Total £	2010 Total £
Donations Gift Aid	25,582	39,684	65,266	60,887
Donations Non Gift Aid	38,610	34,541	73,151	93,507
Gift Aid tax refunds	7,198	11,193	18,391	17,340
	<u>71,390</u>	<u>85,418</u>	<u>156,808</u>	<u>171,734</u>

Malawi Association for Christian Support

Notes to financial statements for the year ended 31 March 2011

3. Investment income

	Unrestricted funds £	Restricted funds £	2011 Total £	2010 Total £
Bank interest receivable	768	-	768	1,037
	<u>768</u>	<u>-</u>	<u>768</u>	<u>1,037</u>

4. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2011 Total £	2010 Total £
Grant making activities	71,435	86,217	157,652	216,988
	<u>71,435</u>	<u>86,217</u>	<u>157,652</u>	<u>216,988</u>

5. Costs of charitable activities - by activity

	Grant funding activities £	2011 Total £	2010 Total £
Grant making activities	157,652	157,652	216,988
	<u>157,652</u>	<u>157,652</u>	<u>216,988</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 £1,987 (2010: £3,950). 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 2011

8. Tangible fixed assets	Motor vehicles	Total	
	£	£	
Cost			
At 1 April 2010 and At 31 March 2011	15,275	15,275	
Depreciation			
At 1 April 2010	318	318	
Charge for the year	2,750	2,750	
At 31 March 2011	3,068	3,068	
Net book values			
At 31 March 2011	12,207	12,207	
At 31 March 2010	14,957	14,957	
9. Debtors	2011	2010	
	£	£	
Other debtors	11,382	13,546	
10. Creditors: amounts falling due within one year	2011	2010	
	£	£	
Grants approved not disbursed	85,915	138,578	
Other creditors	9,245	3,926	
Accruals and deferred income	1,433	410	
	96,593	142,914	
11. Analysis of net assets between funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 March 2011 as represented by:			
Tangible fixed assets	-	12,207	12,207
Current assets	18,412	155,080	173,492
Current liabilities	-	(96,593)	(96,593)
	18,412	70,694	89,106

Malawi Association for Christian Support

Notes to financial statements for the year ended 31 March 2011

12. Unrestricted funds	At	Incoming resources	Outgoing resources	Transfers	At
	1 April 2010				31 March 2011
	£	£	£	£	£
General	9,927	64,646	(53,931)	(7,191)	13,451
Cycle ride 2009	11,136	100	(14,179)	2,943	-
Trip 2009	6,508	-	(874)	(5,634)	-
Trip 2010	-	6,165	(2,451)	-	3,714
Trip 2011	-	1,247	-	-	1,247
	<u>27,571</u>	<u>72,158</u>	<u>(71,435)</u>	<u>(9,882)</u>	<u>18,412</u>

13. Restricted funds	At	Incoming resources	Outgoing resources	Transfers	At
	1 April 2010				31 March 2011
	£	£	£	£	£
Bishop Brothers	20,701	10,015	(33,216)	2,500	-
Medical health	1,326	1,387	(9,835)	7,135	13
St Anne's hospital	32	-	-	-	32
St Luke's hospital	192	807	-	(845)	154
St Martins hospital	441	500	-	(816)	125
Sponsor a bed	1,313	1,857	(3,355)	1,038	853
Nurse training	1,425	1,431	(1,208)	436	2,084
Mosquito nets	6,316	7,665	(5,787)	(7,783)	411
Education	1,050	2,090	(7,077)	5,199	1,262
St Michael's school	59	692	-	-	751
Bursaries	-	3,467	(4,523)	2,734	1,678
St Martin's primary school	1,094	4,350	(5,114)	-	330
Nkope hostel	2,398	10,560	-	-	12,958
Nkope school	1,129	-	(200)	308	1,237
Malawi Orphan Care Group	1,269	1,423	(1,738)	(954)	-
Orphans	357	2,822	(889)	1,931	4,221
Aids	931	58	-	-	989
Guardian Shelter- Malindi	-	364	-	5,851	6,215
Donald Arden Fund	-	15,655	(1,532)	-	14,123
Gifts menu	5,148	12,016	(3,339)	(9,098)	4,727
Vocational courses for women	85	565	(857)	333	126
Seedlings	367	-	-	-	367
St Chads - Mkata wa Moyo	497	4,657	(3,386)	-	1,768
Haslingfield and Eversden churches	129	1,617	(2,031)	285	-
Motor vehicle	15,352	-	-	318	15,670
MOET	-	160	(920)	760	-
Macobo	-	160	(710)	550	-
Matengwe school	-	1,100	(500)	-	600
	<u>61,611</u>	<u>85,418</u>	<u>(86,217)</u>	<u>9,882</u>	<u>70,694</u>

Malawi Association for Christian Support

Notes to financial statements for the year ended 31 March 2011

14. Expenditure analysis

	2011	2011	2010	2010
	£	%	£	%
Grants	138,939	88.13%	202,877	93.50%
Malawi expenses	14,877	9.43%	10,632	4.90%
UK Expenses	3,836	2.43%	3,480	1.60%
	<u>157,652</u>	<u>100.00%</u>	<u>216,989</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 2011

	2011		2010	
	£	£	£	£
Incoming resources				
<i>Voluntary income</i>				
Donations Gift Aid		65,266		60,887
Donations Non Gift Aid		73,151		93,507
Gift Aid tax refunds		18,391		17,340
		<u>156,808</u>		<u>171,734</u>
<i>Investment income</i>				
Bank interest receivable		768		1,038
Total incoming resources		<u><u>157,576</u></u>		<u><u>172,772</u></u>

Malawi Association for Christian Support

Detailed statement of financial activities

For the year ended 31 March 2011

	2011	2010
	£	£
Expenditure		
Grants	138,939	202,877
Malawian representative retainer	2,505	2,612
Malawian representative travelling	5,431	1,334
Malawian representative laptop	-	461
Room hire	700	466
Telephone	2,204	1,957
Trustees travelling expenses	1,987	3,950
Bank charges	610	289
Depreciation - motor vehicle	2,750	318
Printing	2,188	1,521
Postage	77	1,203
Sundry expenses	261	-
	<hr/>	<hr/>
	157,652	216,988
Total charitable activity expenditure	<u>157,652</u>	<u>216,988</u>
Net incoming/(outgoing) resources for the year	<u>(76)</u>	<u>(44,216)</u>