



**MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT**  
**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

CONTENTS

---

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 6
Independent examiner's report	7 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 21

## MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2018

---

#### **Trustees**

Jane Arden, Project monitoring  
Gillian Barber, Medical projects  
Richard Barton (resigned 23 September 2017)  
Annie Barton Hodges, Fundraising and Newsletter (resigned 23 September 2017)  
Tony Cable, Project Monitoring  
Tony Cox, Chairman and Bursaries  
Richard Davies, Fundraising and Website Coordinator  
Eileen Eggington, Project Officer  
Colin Gardner, Treasurer  
Brian Griffin, Vice Chairman and Bursaries  
Sally Huband, Project Monitoring (resigned 23 September 2017)  
Julie Lupton, Secretary and Supporters' Database  
Margaret Campbell, Publicity and Safeguarding (appointed 23 September 2017)  
Martin Herrick, Medical Projects (appointed 23 September 2017)

#### **Charity registered number**

1025616

#### **Principal office**

The Cottage  
72 North Street  
Biddenden  
Kent  
TN27 8AS

#### **Accountants**

Venthams  
Chartered Accountants  
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

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

---

The Trustees present their annual report together with the financial statements of the charity for the 1 April 2017 to 31 March 2018.

#### **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.

##### **b. Activities for achieving 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, 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 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.

##### **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.

#### **Achievements and performance**

##### **a. Review of activities**

##### **A Governance**

**1. Meetings:** Trustees met seven times during the year, here at St Saviour's Church. On six occasions trustees met to monitor projects, allocate funds, approve new projects etc. The seventh meeting was for our AGM and Annual Supporters' Day on September 23rd 2017.

**2. Trustees:** Margaret Campbell has joined the trustee board and has taken on the responsibility for communications with supporters and Safeguarding. Martin Herrick has come on board with a wealth of knowledge on matters medical and has been working with Gillian Barber and others to draw up the plans for the big new Operating Theatre project at St Luke's, Malosa. We are delighted to have both of these very able people working with us. We are currently looking for one more trustee and have identified the need for fundraising skills as a major focus for this person to broaden the range of skills within the board of trustees.

## MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

---

**3. Communications with supporters:** Once again two excellent newsletters have gone out in August and February, informing supporters of developments and progress and highlighting some major areas of achievement. Margaret Campbell produced these very ably. Margaret has also taken on Facebook and Twitter, through which supporters can be kept up to date with any major developments between newsletters.

**4. GDPR compliance:** We continue to maintain a list of all supporters and those who receive publications either by email or post. During the year we updated our Privacy policy and, in order to comply with the new GDPR requirements, we undertook a major exercise contacting all supporters inviting them to opt in to receive MACS newsletters, Gift Lists and occasional news via post or email. This has resulted in our supporter base appearing to shrink significantly but all charities undertaking this exercise have experienced similar shrinkage.

**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 has taken on the role of Safeguarding Trustee. Jointly with the wider Anglican Communion we are going to encourage the church in Malawi to introduce more robust Safeguarding practices. In recent meetings in Malawi the Rev John Kafwanka, Director for Mission in the Anglican Communion, emphasised to all the Bishops the importance of getting up to speed on the requirements for safeguarding children and vulnerable adults, not least because the UK Charity Commission's ruling that all relevant UK charities must ensure that proper safeguarding procedures are in place with all partners at home and overseas. There is still a way to go with this matter but we are all moving in the right direction. We have been pleased to note that some contractors carrying out building work in Malawi are now including safeguarding clauses in contracts. This was noted recently with builders working for MACS at St Michael's Girls School in Malindi.

**6. Remuneration of trustees' expenses:** During the year a decision was taken to address the remuneration of trustees. It was felt that trustees give freely of their time but that no one should be put off becoming a trustee because of the cost of travel into London seven times a year. It was therefore agreed that trustees can claim for travel to attend meetings. Furthermore a grant of up to £750 will be made to each new trustee towards a familiarisation visit to Malawi within the first three years of trusteeship. Other trustees who have not claimed within the previous four years will also be entitled to a grant to visit Malawi on MACS business. No more than two of these grants will be paid in any single financial year. Details of such claims are included in the financial report.

#### **B Projects**

**1. Applications:** During the year a total of £172,737 has been granted to new projects. There have been fewer applications for projects in the past year but those received have been of an increasingly complex nature and take enormous amounts of time and effort to get ready for presentation to trustees and even more work and cooperation to get documents ready for the tendering process in Malawi. By the end of March 2018 23 new projects had been approved. 15 projects were completed during the year and a further 18 projects were on-going or in the pipeline at the end of March 2018.

#### **2. Support for:**

**(a) Strategic planning:** trustees have been particularly keen in supporting the carrying out of strategic reviews for the hospitals and health centres in Malawi. These, once complete, will help everyone to agree where money can be most effectively and appropriately spent to enhance the services being offered.

**(b) Internal auditing:** A programme jointly funded with USPG and the Diocese of Birmingham has been funding internal audits in Diocesan institutions. This programme has been welcomed by the institutions taking part and will continue into 2018-19 with local institutions now paying towards this as well.

#### **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 individual schools, groups to open accounts and to manage funds donated by MACS for particular projects and trustees are confident that every attempt is made to ensure funds are spent appropriately. Grafiud's expenses are reviewed and adjusted annually in March.

## MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

---

**(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) 2017 Project Officer's annual trip:** In May 2017 Colin Gardner undertook the Annual Project Officer's trip as Eileen, the Project Officer, was leading a MACS trip with trustee Brian Griffin in July. Colin was accompanied by Tony Cable, who was undertaking a familiarisation trip. The trip enabled them to follow up some of the trustees' queries regarding various projects, to continue to make good contacts with various partners in Malawi and to come back with a better overall and up to date picture of what is going on.

#### 4. Health £63,269

MACS continues to consider a wide range of requests including new buildings, renovations, help with electricity and water, training and financial management.

Examples of such are:

- o The Medical Assistant at Nkaskala has a new house while two other staff members are enjoying living in newly renovated houses.
- o Patients and domestic staff at St Martin's Hospital, Malindi, enjoy a long awaited new washing machine for the hospital laundry.
- o Nurses benefit from new BP monitors and watches, funded from Gift List donations.
- o Patients enjoy new beds and fresh bedding, thanks to Gift List donations.

#### 5. Education £67,173

- o Students at Nkhanda Primary school in Likhubula Parish are learning in three new classrooms.
- o Pupils enjoy a new learning environment in a double classroom block at St Francis' Parish, Kasungu.
- o Girls at St Michael's Girls' Secondary, Malindi, will be able to move back into a hostel that has been renovated, following subsidence rendering the hostel unusable.
- o Many young learners benefit from the distribution of additional text books to various schools from Gift List funds.
- o Teachers' working conditions are improved with the production of teachers' desks, chairs and easels from Gift List funds.

#### 6. Parish and Diocesan Support £23,983

Examples of grants made within the last year are

- o The Priest at St Philip's Likhubula has a new roof on his house.
- o The congregation at Holy Spirit church in Matope Parish have a roof on their church.
- o The Priest at Magomero now has a ceiling in his house, making it cooler and more sound-proof.

#### 7. Community and Training £13,605

- o 10 Anglican women are supported on the Chilema Training Course once a year.
- o The course tutors at Chilema continue to get support from the Iford Group of churches who regularly provide funds for materials as well as practical materials.
- o People in various institutions and houses at Chinwenya in Namwera Parish have access to electricity.
- o Students, staff and local people benefit from a borehole installed at Bishop Mtekateka School.
- o The villagers at Holy Cross, Jali, are happy with their renovated borehole.
- o The new ordinands at Leonard Kamungu Theological Training Centre receive new bicycles and a training course in maintenance to help them in their parishes.
- o Orphans at Chankhungu Orphan Centre get extra funds.
- o People in the rural areas benefit from the MACOBO hen pass-on scheme.

## MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2018

---

#### **8. Miscellaneous £4,709**

- o For Mkate wa Moyo, orphan support programme funded by St Chad's Church, Sutton Coldfield.

#### **C. Fundraising**

We are grateful to all our supporters who raise funds and show interest and support throughout the year.

The MACS trip in July 2017 gave supporters an insight into the work of MACS, affording them the opportunity to work alongside a group of youths in Nkope as well as having the chance to gain some understanding of the country itself. This trip raised £7,749 towards specific projects in Malawi.

The annual gift list raised £9,384 this year. Colin Gardner has taken over monitoring the use of the non-medical funds. Gillian Barber works with 'gifts' to hospitals and health centres. Examples of the benefits of this list are:

- o People in rural communities near Malosa being given a goat as part of the successful goat pass-on scheme
- o Teachers and trainers in both schools and at Chilema Lay Training Centre getting materials and equipment to help with passing on skills
- o Clinic staff, teachers and clergy benefit from the provision of solar lamps in rural areas.

#### **D. Our Supporters**

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.

#### **Financial review**

##### *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.

##### *Financial summary*

The income for the year was £284,662, as compared to the previous year of £174,784. The expenditure for the year was £205,389, as compared to £189,413. As a consequence, the surplus was £79,273 compared to a deficit of £14,629 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 £109,354 (£2017: £126,044) 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.

**MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2018**

---

**Structure, governance and management**

**a. Constitution**

The association was created by a deed of trust dated 27th February 1993. At the Annual General Meeting held on 21st September 2013 an amended Constitution was approved and adopted. 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.

**b. Method 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 Trust deed.

**Trustees' responsibilities statement**

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 the incoming resources and application of resources of the charity 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 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 trust deed. 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.

This report was approved by the Trustees, on \_\_\_\_\_ and signed on their behalf by:

.....  
**Julie Lupton**  
Trustee

## MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2018

---

#### **Independent examiner's report to the Trustees of Malawi Association for Christian Support (the 'charity')**

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2018.

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.

#### **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 all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 can 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.

**MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT**

**INDEPENDENT EXAMINER'S REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2018**

---

Signed:

Dated:

Stuart Harrison FCA

**Venthams**

Chartered Accountants

Millhouse  
32 - 38 East Street  
Rochford  
Essex  
SS4 1DB

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income from:</b>					
Donations and legacies	2	100,077	183,810	283,887	173,490
Investments	3	775	-	775	1,294
<b>Total income</b>		<b>100,852</b>	<b>183,810</b>	<b>284,662</b>	<b>174,784</b>
<b>Expenditure on:</b>					
Charitable activities	6	115,771	89,618	205,389	189,413
<b>Total expenditure</b>	7	<b>115,771</b>	<b>89,618</b>	<b>205,389</b>	<b>189,413</b>
<b>Net income / (expenditure) before transfers</b>		<b>(14,919)</b>	<b>94,192</b>	<b>79,273</b>	<b>(14,629)</b>
Transfers between Funds	15	2,568	(2,568)	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>(12,351)</b>	<b>91,624</b>	<b>79,273</b>	<b>(14,629)</b>
<b>Net movement in funds</b>		<b>(12,351)</b>	<b>91,624</b>	<b>79,273</b>	<b>(14,629)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		63,721	135,370	199,091	213,720
<b>Total funds carried forward</b>		<b>51,370</b>	<b>226,994</b>	<b>278,364</b>	<b>199,091</b>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

BALANCE SHEET  
AS AT 31 MARCH 2018

	Note	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	12		11,949		15,360
<b>Current assets</b>					
Debtors	13	10,836		5,135	
Cash at bank and in hand		372,431		308,762	
			<u>383,267</u>	<u>313,897</u>	
<b>Creditors:</b> amounts falling due within one year	14	(116,852)		(130,166)	
<b>Net current assets</b>			<u>266,415</u>		<u>183,731</u>
<b>Net assets</b>			<u>278,364</u>		<u>199,091</u>
<b>Charity Funds</b>					
Restricted funds	15		226,994		135,370
Unrestricted funds	15		51,370		63,721
<b>Total funds</b>			<u>278,364</u>		<u>199,091</u>

The financial statements were approved by the Trustees on

and signed on their behalf, by:

.....  
Tony Cox, Chairman

## MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

---

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

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.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Malawi Association for Christian Support constitutes a public benefit entity as defined by FRS 102.

##### 1.2 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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity 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.

**MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

---

**1. Accounting policies (continued)**

**1.3 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.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

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.

**1.4 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles - 20% straight line

**1.5 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 Bank.

**1.6 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.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting policies (continued)

1.7 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.

1.8 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 within interest payable and similar charges.

1.9 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.

1.10 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.

2. Income from donations and legacies

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	100,077	183,810	283,887	173,490
<i>Total 2017</i>	123,444	50,046	173,490	

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

3. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Investment income	775	-	775	1,294
<i>Total 2017</i>	1,294	-	1,294	

4. Analysis of grants

	Grants to Institutions 2018 £	Total 2018 £	<i>Total 2017 £</i>
Grant making activities	172,737	172,737	175,976

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

Grants to institutions comprises the following:

	Restricted £	Unrestricted £	2018 £	2017 £
Bishop Brothers	-	-	-	1,000
Medical Health	10,672	-	10,672	14,495
Sponsor a bed	-	-	-	1,350
Health Centre staff houses	25,000	-	25,000	295
Mercy Ngeni training	-	-	-	258
Education	21,572	-	21,572	826
St Michael's	2,704	-	2,704	5,816
Bursaries	10,883	-	10,883	8,709
Floods reconstruction	-	-	-	6,908
Donald Arden Bursary Fund	2,774	-	2,774	2,826
Donald Arden Memorial Fund	4,255	-	4,255	3,192
Gifts menu	2,134	-	2,134	4,200
Vocational courses for women	900	-	900	893
Chilema equipment	1,000	-	1,000	1,000
St Chads - Mkata ma Moyo	3,280	-	3,280	5,653
Mareway Group - Magomero	-	-	-	7,000
Motor Vehicle	-	-	-	146
2014 Trip	-	-	-	870
2016 Trip	3,482	-	3,482	1,793
2017 Trip	3,666	-	3,666	-
Phalula priest house	-	-	-	6,000
Dawa Classroom block	-	-	-	7,363
Nkope medical assistants house	-	-	-	24,000
Magomero teachers House	-	-	-	6,000
Kayoyo classroom block	-	-	-	11,692
St Luke's solar power	-	-	-	16,743
Samara sanitation	-	-	-	6,236
DLM motor vehicle	-	-	-	6,800
Chimwala church roof	-	-	-	5,500
Malinda school hostel renovations	-	16,000	16,000	-
Nkasala MA house	-	22,000	22,000	-
Malosa borehole	-	6,500	6,500	-
Matope church roof	-	5,300	5,300	-
Malindi washing machine	-	5,584	5,584	-
Kasungu classroom block	-	15,000	15,000	-
Other grants to institutions	-	10,031	10,031	18,412
<b>Total</b>	<b>92,322</b>	<b>80,415</b>	<b>172,737</b>	<b>175,976</b>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

5. Direct costs

	Grant making activities £	Total 2018 £	Total 2017 £
Malawian representative retainer	9,728	9,728	4,297
Malawian representative travelling	7,128	7,128	5,499
Malawian representative telephone	911	911	875
Project officer trip and travel grants	3,836	3,836	2,017
Room hire	1,119	1,119	575
Bank charges	412	412	337
Paypal charges	27	27	11
Mydonate charges	16	16	17
Printing and stationery	368	368	1,126
Postage	1,901	1,901	1,167
Sundry expenses	193	193	187
Profit / loss on fixed asset disposal	-	-	(6,800)
Legal and professional	2,500	2,500	1,969
Insurance	562	562	-
Depreciation	3,411	3,411	1,560
	<u>32,112</u>	<u>32,112</u>	<u>12,837</u>
<i>Total 2017</i>	<u>12,837</u>	<u>12,837</u>	

6. Governance costs

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Independent Examiner's fee	540	-	540	600
	<u>540</u>	<u>-</u>	<u>540</u>	<u>600</u>

7. Analysis of Expenditure by expenditure type

	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Grant making activities	3,411	201,438	204,849	188,813
Expenditure on governance	-	540	540	600
	<u>3,411</u>	<u>201,978</u>	<u>205,389</u>	<u>189,413</u>
<i>Total 2017</i>	<u>1,560</u>	<u>187,853</u>	<u>189,413</u>	

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

8. Analysis of expenditure by activities

	Activities undertaken directly 2018 £	Grant funding of activities 2018 £	Total 2018 £	Total 2017 £
Grant making activities	<b>32,112</b>	<b>172,737</b>	<b>204,849</b>	188,813
<i>Total 2017</i>	<u>12,837</u>	<u>175,976</u>	<u>188,813</u>	

9. Analysis of resources expended by percentage

	2018 £	2018 %	2017 £	2017 %
Grants	<b>172,737</b>	<b>84.11</b>	175,976	92.91
Malawi projects supervision costs	<b>27,861</b>	<b>13.57</b>	9,444	4.99
UK expenses	<b>4,791</b>	<b>2.33</b>	3,993	2.10
Total	<u><b>205,389</b></u>	<u><b>100.00</b></u>	<u>189,413</u>	<u>100.00</u>

10. Net income/(expenditure)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charity	<b>3,411</b>	1,707
Independent Examiner's fee	<b>540</b>	600

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

7 Trustees received reimbursement of expenses amounting to £3836 in the current year, (2017 - 1 Trustee - £2017).

11. Independent examiner's remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £ 540 (2017 - £ 600).

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

12. Tangible fixed assets

	Motor vehicles £
<b>Cost</b>	
At 1 April 2017 and 31 March 2018	<u>17,067</u>
<b>Depreciation</b>	
At 1 April 2017	1,707
Charge for the year	<u>3,411</u>
At 31 March 2018	<u>5,118</u>
<b>Net book value</b>	
At 31 March 2018	<u><u>11,949</u></u>
At 31 March 2017	<u><u>15,360</u></u>

13. Debtors

	2018 £	2017 £
Other debtors	-	2,925
Prepayments and accrued income	3,622	2,106
Tax recoverable	7,214	104
	<u>10,836</u>	<u>5,135</u>
	<u><u>10,836</u></u>	<u><u>5,135</u></u>

14. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other creditors	1,000	1,000
Accruals and deferred income	6,498	3,122
Grants approved not disbursed	109,354	126,044
	<u>116,852</u>	<u>130,166</u>
	<u><u>116,852</u></u>	<u><u>130,166</u></u>

## MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

## 15. Statement of funds

## Statement of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
<b>Designated funds</b>					
Designated Funds - all funds	40,000	-	(38,000)	(2,000)	-
Motor Vehicle	-	-	-	17,067	17,067
	<u>40,000</u>	<u>-</u>	<u>(38,000)</u>	<u>15,067</u>	<u>17,067</u>
<b>General funds</b>					
General Funds - all funds	23,721	100,852	(77,771)	(12,499)	34,303
Total Unrestricted funds	<u>63,721</u>	<u>100,852</u>	<u>(115,771)</u>	<u>2,568</u>	<u>51,370</u>
<b>Restricted funds</b>					
Medical Health	814	5,492	(2,604)	-	3,702
St Luke's Hospital	1,390	1,345	-	-	2,735
St Like's Hospital - operating theatre	8,750	38,575	(1,876)	4,398	49,847
St Martin's Hospital	1,669	581	(1,192)	-	1,058
Sponsor a bed	88	450	-	577	1,115
Health centres staff houses	39,191	-	(25,000)	-	14,191
Mosquito nets	689	-	-	-	689
Education	1,926	12,364	(21,572)	7,794	512
St Michael's	1,904	1,200	-	(2,704)	400
Bursaries and school fees	6,007	4,812	(10,883)	1,305	1,241
Nkope Health Centre	908	-	-	-	908
Orphans	-	212	-	(212)	-
Donald Arden Bursary Fund	15,832	1,238	(2,774)	-	14,296
Donald Arden Memorial Fund	19,714	1,613	(4,255)	-	17,072
Gifts list	7,729	9,384	(2,134)	(2,703)	12,276
Vocational courses for women	3,015	1,062	(900)	533	3,710
Horticulture	1,384	-	-	-	1,384
Chilema Equipment	1,646	1,168	(1,000)	-	1,814
St Chad's Fund	-	4,405	(3,280)	-	1,125
Mareway Group - Magomero	-	1,094	-	(740)	354
Motor Vehicles	17,067	-	-	(17,067)	-
2016 Trip	5,407	-	(3,482)	188	2,113
2017 Trip	240	7,749	(3,666)	(4,323)	-
St Anne's Hospital	-	91,066	(5,000)	-	86,066
Malosa School Buildings	-	-	-	10,386	10,386
	<u>135,370</u>	<u>183,810</u>	<u>(89,618)</u>	<u>(2,568)</u>	<u>226,994</u>
Total of funds	<u>199,091</u>	<u>284,662</u>	<u>(205,389)</u>	<u>-</u>	<u>278,364</u>

## MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

## 15. Statement of funds (continued)

## Statement of funds - prior year

	<i>Balance at 1 April 2016</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2017</i>
	£	£	£	£	£
Designated Funds - all funds	-	-	-	40,000	40,000
General Funds - all funds	<u>59,284</u>	<u>124,738</u>	<u>(122,183)</u>	<u>(38,118)</u>	<u>23,721</u>
<b>Restricted funds</b>					
Bishop Brothers Fund	882	-	(1,000)	118	-
Medical Health	9,343	2,593	(14,495)	3,373	814
St Luke's Hospital	565	825	-	-	1,390
St Like's Hospital - operating theatre	-	8,750	-	-	8,750
St Martin's Hospital	250	1,419	-	-	1,669
Sponsor a bed	360	425	(1,350)	653	88
Health centres staff houses	39,486	-	(295)	-	39,191
Mercy - training	255	-	(258)	3	-
Mosquito nets	689	-	-	-	689
Education	1,439	1,431	(826)	(118)	1,926
St Michael's	3,119	4,954	(5,816)	(353)	1,904
Bursaries and school fees	5,974	6,956	(8,709)	1,786	6,007
Nkope Hostels equipment	3,080	-	-	(3,080)	-
Nkope Health Centre	1,480	908	-	(1,480)	908
Floods reconstruction	6,908	-	(6,908)	-	-
Orphans	363	233	-	(596)	-
Donald Arden Bursary Fund	18,658	-	(2,826)	-	15,832
Donald Arden Memorial Fund	22,906	-	(3,192)	-	19,714
Gifts list	6,804	7,910	(4,200)	(2,785)	7,729
Vocational courses for women	2,903	563	(893)	442	3,015
Horticulture	1,384	-	-	-	1,384
Chilema Equipment	1,406	1,240	(1,000)	-	1,646
St Chad's Fund	1,150	4,598	(5,653)	(95)	-
Mareway Group - Magomero	4,246	2,504	(7,000)	250	-
Motor Vehicles	17,213	-	(146)	-	17,067
2014 Trip	870	-	(870)	-	-
2016 Trip	2,703	4,497	(1,793)	-	5,407
2017 Trip	-	240	-	-	240
	<u>154,436</u>	<u>50,046</u>	<u>(67,230)</u>	<u>(1,882)</u>	<u>135,370</u>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

15. Statement of funds (continued)

Summary of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
Designated funds	40,000	-	(38,000)	15,067	17,067
General funds	23,721	100,852	(77,771)	(12,499)	34,303
	<u>63,721</u>	<u>100,852</u>	<u>(115,771)</u>	<u>2,568</u>	<u>51,370</u>
Restricted funds	135,370	183,810	(89,618)	(2,568)	226,994
	<u>199,091</u>	<u>284,662</u>	<u>(205,389)</u>	<u>-</u>	<u>278,364</u>

Summary of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
Designated funds	-	-	-	40,000	40,000
General funds	59,284	124,738	(122,183)	(38,118)	23,721
	<u>59,284</u>	<u>124,738</u>	<u>(122,183)</u>	<u>1,882</u>	<u>63,721</u>
Restricted funds	154,436	50,046	(67,230)	(1,882)	135,370
	<u>213,720</u>	<u>174,784</u>	<u>(189,413)</u>	<u>-</u>	<u>199,091</u>

16. Related party transactions

During the year, the trustees gave a total of £24,572 (2017: £3,928) in donations to the charity.