



MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

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MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2020

Trustees

Jane Arden, Project monitoring (resigned 28 September 2019)
Gillian Barber, Medical projects
Tony Cox, Chairman and Bursaries
Brian Griffin, Vice Chairman and Bursaries
Tony Cable, Project Monitoring (resigned 28 September 2019)
Richard Davies, Fundraising and Website Coordinator
Colin Gardner, Treasurer
Eileen Eggington, Project Officer
Julie Lupton, Secretary and Supporters' Database
Margaret Campbell, Publicity and Safeguarding
Martin Herrick, Medical Projects
Adrian Brown, Water and Solar Projects

Charity registered number

1025616

Principal office

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

Accountants

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

Bankers

Santander UK plc
Bridle Road
Bootle
Merseyside
L30 4GG

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their annual report together with the financial statements of the charity for the 1 April 2019 to 31 March 2020.

Objectives and activities

a. Policies and objectives

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

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

b. Activities undertaken to achieve objectives

Individuals and organisations are invited to donate to a General Fund which can be used for any charitable purpose in Malawi. If requested, donations can go to specific categories e.g. Education, Health, 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.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance

a. Main achievements of the charity

Trustees

All trustees have specific areas of responsibility.

Communications with supporters

Two excellent newsletters went out in August and February, informing supporters of developments and progress and highlighting some major areas of achievement. These were produced by Margaret Campbell who also looks after the MACS Facebook account.

GDPR compliance

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

Safeguarding

In line with Charity Commission requirements, trustees have drawn up and adopted Safeguarding policies and procedures for Trustees and for our Malawi representative. All trustees visiting Malawi are now required to have a Disclosure and Barring certificate as well as safeguarding references. Margaret Campbell is our Safeguarding Trustee. Jointly with the wider Anglican Communion we continue to encourage the church in Malawi to introduce robust Safeguarding practices. Schools in Malawi have been asked to share copies of their safeguarding policies with MACS. There is still a way to go with this but we are all moving in the right direction.

b. Review of activities

During the year a total of £127,119 has been granted to new projects.

c. Support for:

1. Strategic planning: as mentioned last year, trustees have been particularly keen in supporting the carrying out of strategic reviews for the hospitals and health centres in Malawi. These, though time-consuming, help everyone to agree where money can be most effectively and appropriately spent to enhance the services being offered. Feedback from Malawi suggests that this form of planning is particularly helpful.

2. 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 these institutions now make a contribution towards these costs as well.

d. Monitoring:

1. MACS Representative: In Malawi our representative, Grafiud Tione, has worked throughout the year facilitating the smooth running of projects, disbursing funds, checking on progress, giving advice locally and advising trustees. Grafiud helps the recipients of MACS grants such as individual schools and community groups to open accounts and to manage funds awarded by MACS for particular projects. Trustees remain confident that every attempt is made to ensure funds are spent appropriately. Grafiud's expenses are reviewed and adjusted annually in March.

2. 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.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (continued)

e. Specific projects:

Health

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:

- I. Raising the £165,000 required to build the new operating theatre suite at St Luke's Hospital, Malosa.
- II. Completion of training of a palliative care nurse for Ndi Moyo.
- III. Medical staff at health centres and hospitals have received pulse oximeters, and head torches, funded through the popular Gift List.
- IV. Staff house renovation at Nkasala was completed.
- V. A washing machine finally arrived and was installed at Malindi Hospital and MACS is supporting the maintenance/ servicing of the machine.

Education

MACS is very happy to support education of young people in Malawi through the paying of fees in Bursary schemes as well as supporting in practical ways with building and educational materials etc.

Examples of how MACS provides support are:

- I. The bursary schemes continue to support 75 boys and girls at Malosa Secondary School, St Michael's Girls, Malindi as well as at Bishop Mtekateka School, Nkhotakota and also at two CDSS schools: M'manga's and Nkope Hill.
- II. Funds to buy books and teachers' resource packs in Northern Malawi were disbursed through Team Malawi, a charity operating principally in the North.
- III. Teachers in rural areas were given good quality solar lamps that enable them to charge mobile phones as well as to have light in the evenings.
- IV. A teacher at M'mangas is living in a newly renovated house.
- V. The priest's house at Magomero now has a ceiling.
- VI. At St Michael's Girls School, Malindi, girls are now accommodated in a safe and refurbished hostel.
- VII. Mattresses, curtains and cooking pots were provided for Nkope Hill CDSS girls' hostel enabling girls to live at the school during the week.

Parish and Diocesan Support

Examples of grants made within the last year are:

- I. New graduates from the theological college are given a bicycle and maintenance training to help them in their parishes.
- II. The Priest at Magomero lives in a new house with a ceiling.
- III. The people of Matope can enjoy worship in a church with a new roof.

Community and Training

- I. Funds were allocated to help with training in sustainable land use. MACS passed these funds to Tiyeni, a charity whose focus is primarily on land use.
- II. People in the communities served by MACOBO benefitted from another tranche of funding to extend the successful and popular goat pass-on scheme.
- III. 10 Anglican women each year are supported to participate in the six month skills training course at Chilema with 80% of their fees being met by MACS grants.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (continued)

f. Covid-19 and MACS

The Situation in Malawi and on-going Project Supervision

Covid-19 in Malawi arrived later than in the UK. Educational institutions were closed in March and schools have struggled with running costs. No nationwide lockdown was introduced and, as a result of this, building work on classroom blocks has continued during the last 5 months. Our representative has adapted how he works to stay safe, limiting travel around projects and yet continuing to provide trustees with reports the on-going work as well as updates on the progress of the pandemic.

MACS UK

Trustees have adapted to new ways of operating and managing the work in Malawi because of the UK lockdown. We have continued to have pre-arranged meetings every other month but have moved to using Zoom instead of meeting in London. The use of Zoom allows us to work safely from home and has also enabled us to have more immediate contact with our representative in Malawi during meetings. In addition, a Covid-19 Emergency working group has been formed to manage requests from Malawi between scheduled meetings.

At the start of the pandemic the following were agreed:

- a grant of £6,000 was sent to Anglican hospitals for cleaning materials and Personal Protection Equipment.
- A Post-Covid Support Fund of £10,000 was set on one side in order to aid the necessary reconstruction of medical and educational services in the country once the worst of the virus has run its course

Since 1st April, trustees have made emergency grants of £2,000 to each of the following educational institutions:

- the Chilema Lay Training Centre at Malosa
- each of the three Anglican boarding schools in the Dioceses of Lake Malawi and Upper Shire.

In addition, a grant of £500 has been made to Nkope CDSS and we have passed on two donations to Malosa school totalling £2,500.

These grants were made in order to assist in on-going expenses until the planned re-opening of all educational institutions at some time later this year.

Keeping Our Supporters Informed

Our website keeps our supporters updated with the changing situation in Malawi and the newsletter produced in late July gave more information.

Financial review

a. Going concern

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

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Financial review (continued)

b. Financial summary

The income for the year was £190,750 as compared to the previous year of £154,455. The expenditure for the year was £153,262, as compared to £260,271. As a consequence, the surplus was £37,488, compared to a deficit of £105,816 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 £117,930 (2019: £186,848) 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.

c. Principal funding

We are extremely grateful to all our supporters who raise funds and show interest and support throughout the year. Colin Gardner has continued to monitor the use of funds donated through the Gift List. Gillian Barber, however, helps with 'gifts' to hospitals and health centres.

d. Our supporters

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

Structure, governance and management

a. Constitution

Malawi Association for Christian Support is a registered charity, number 1025616, and is constituted under a Trust deed.

b. Methods of appointment or election of Trustees

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

c. Organisational structure and decision-making policies

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

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Julie Lupton
Trustee
Date:

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

**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 2020.

Responsibilities and Basis of Report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (‘the 2011 Act’).

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

**INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Independent Examiner's Statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

Stuart Harrison FCA

Venthams

Chartered Accountants

Millhouse

32 - 38 East Street

Rochford

Essex

SS4 1DB

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	53,460	135,581	189,041	153,146
Investments	4	1,709	-	1,709	1,309
Total income		55,169	135,581	190,750	154,455
Expenditure on:					
Charitable activities	5	28,238	125,024	153,262	260,271
Total expenditure		28,238	125,024	153,262	260,271
Net income		26,931	10,557	37,488	(105,816)
Transfers between funds	14	(28,269)	28,269	-	-
Net movement in funds		(1,338)	38,826	37,488	(105,816)
Reconciliation of funds:					
Total funds brought forward		18,776	153,772	172,548	278,364
Net movement in funds		(1,338)	38,826	37,488	(105,816)
Total funds carried forward		17,438	192,598	210,036	172,548

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

**BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	5,127	8,538
		5,127	8,538
Current assets			
Debtors	12	18,216	47,836
Cash at bank and in hand		316,202	316,070
		334,418	363,906
Creditors: amounts falling due within one year	13	(129,509)	(199,896)
		204,909	164,010
Total assets less current liabilities		210,036	172,548
Total net assets		210,036	172,548
Charity funds			
Restricted funds	14	192,598	153,772
Unrestricted funds	14	17,438	18,776
		210,036	172,548
Total funds		210,036	172,548

The financial statements were approved and authorised for issue 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 2020

1. General information

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Malawi Association for Christian Support meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

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

2.3 Expenditure

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

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

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.3 Expenditure (continued)

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following basis:

Motor vehicles	-	20% straight line
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2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9 Financial instruments

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

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	53,460	135,581	189,041

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations	35,503	117,643	153,146

4. Investment income

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

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income - local cash	857	857
Investment income - foreign cash	452	452
<i>Total 2019</i>	<i>1,309</i>	<i>1,309</i>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Grant making activities	28,238	125,024	153,262
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Grant making activities	43,758	216,513	260,271

6. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Grant making activities	25,567	127,119	576	153,262
	<i>Activities undertaken directly 2019 £</i>	<i>Grant funding of activities 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Grant making activities	28,550	231,145	576	260,271

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

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

	<i>Grant making activities 2019 £</i>	<i>Total funds 2019 £</i>
Depreciation	3,411	3,411
Malawian representative retainer	10,233	10,233
Malawian representative travelling	8,272	8,272
Malawian representative telephone	1,014	1,014
Project officer trip and travel grants	3,338	3,338
Room hire	693	693
Bank charges	326	326
Paypal charges	37	37
Mydonate charges	1	1
Printing and stationery	259	259
Postage	703	703
Sundry expenses	263	263
<i>Total 2019</i>	<i>28,550</i>	<i>28,550</i>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Grant making activities 2020 £	Total funds 2020 £
Governance costs	576	576

	<i>Grant making activities 2019 £</i>	<i>Total funds 2019 £</i>
Governance costs	576	576

7. Analysis of grants

	Grants to Institutions 2020 £	Total funds 2020 £
Grant making activities	127,119	127,119

	<i>Grants to Institutions 2019 £</i>	<i>Total funds 2019 £</i>
Grants making activities	231,145	231,145

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

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

7. Analysis of grants (continued)

	2020 £	2019 £
Name of institution		
Medical Health	1,250	150,072
Education	-	30,455
Bursaries	14,546	11,610
Donald Arden Bursary Fund	4,270	3,884
Donald Arden Memorial Fund	4,433	3,884
Gifts menu	2,232	8,830
Vocational courses for women	1,384	1,000
St Chad's - Mkata ma Moyo	-	2,275
Matope church roof	-	1,107
Malinda washing machine	-	1,652
Flood relief	6,925	1,000
Tiyeni Trust	-	1,809
Magomero priest's house	-	1,694
Magomero classroom renovations	5,191	-
Education buildings and classrooms	72,382	-
St Martin's staff houses	8,940	-
Nkope Health Centre	2,500	-
St Anne's Hospital	971	-
Other grants to institutions	2,095	11,873
	127,119	231,145
	127,119	231,145

8. Analysis of expenditure by percentage

	2020 £	2020 %	2019 £	2019 %
Grants	127,119	82.94	231,145	88.81
Malawi projects supervision costs	22,501	14.68	26,151	10.05
UK expenses	3,642	2.38	2,975	1.14
	153,262	100.00	260,271	100.00

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £576 (2019 - £576).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 March 2020, expenses totalling £4,337 were reimbursed or paid directly to 7 Trustees (2019 - £3,338 to 7 Trustees).

11. Tangible fixed assets

	Motor vehicles £
Cost or valuation	
At 1 April 2019	17,067
At 31 March 2020	<u>17,067</u>
Depreciation	
At 1 April 2019	8,529
Charge for the year	3,411
At 31 March 2020	<u>11,940</u>
Net book value	
At 31 March 2020	<u><u>5,127</u></u>
At 31 March 2019	<u><u>8,538</u></u>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Debtors

	2020 £	2019 £
Due within one year		
Prepayments and accrued income	2,632	2,958
Tax recoverable	15,584	17,878
Grants receivable	-	27,000
	<u>18,216</u>	<u>47,836</u>

13. Creditors: Amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	11,579	13,048
Grants accrued - institutional	117,930	186,848
	<u>129,509</u>	<u>199,896</u>

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Unrestricted funds					
Designated funds					
Motor Vehicle	17,067	-	-	-	17,067
General funds					
General Funds	1,709	55,169	(28,238)	(28,269)	371
Total Unrestricted funds	18,776	55,169	(28,238)	(28,269)	17,438
Restricted funds					
Medical Health	-	10,731	(1,250)	-	9,481
St Luke's Hospital	-	950	-	-	950
St Luke's - Operating Theatre	4,801	26,565	-	(1,980)	29,386
St Martin's Hospital	-	600	-	-	600
Sponsor-a-bed	1,243	438	-	260	1,941
St Martin's staff houses	14,191	-	(8,940)	-	5,251
St Anne's Hospital	88,724	-	(971)	-	87,753
Education Buildings	-	2,887	(10,723)	7,836	-
St Michael's School	1,600	1,200	-	(2,800)	-
Bursaries and school fees	-	8,660	(14,921)	8,770	2,509
Nkope Health Centre	908	-	(2,500)	1,592	-
Classrooms	-	70,353	(61,659)	(237)	8,457
Donald Arden Bursary Fund	11,036	3,936	(3,894)	-	11,078
Donald Arden Memorial Fund	14,438	-	(4,434)	-	10,004
Gifts list	4,571	4,111	(2,232)	(1,608)	4,842
Vocational courses for women	3,561	-	(1,384)	485	2,662
Chilema equipment	2,860	359	-	-	3,219
Magomero	-	3,649	(5,191)	3,114	1,572
Post Covid Support Fund	-	-	-	10,000	10,000
Other restricted fund projects	5,839	1,142	(6,925)	2,837	2,893
	153,772	135,581	(125,024)	28,269	192,598
Total of funds	172,548	190,750	(153,262)	-	210,036

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2018</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Balance at 31 March 2019</i> £
Unrestricted funds					
Designated funds					
Motor Vehicle	17,067	-	-	-	17,067
General funds					
General Funds	34,303	36,812	(43,758)	(25,648)	1,709
Total Unrestricted funds	51,370	36,812	(43,758)	(25,648)	18,776
Restricted funds					
Medical Health	3,702	1,521	(7,587)	2,364	-
St Luke's Hospital	2,735	450	-	(3,185)	-
St Luke's - Operating Theatre	49,847	71,239	(143,789)	27,504	4,801
St Martin's Hospital	1,058	800	-	(1,858)	-
Sponsor-a-bed	1,115	450	(1,168)	846	1,243
St Martin's staff houses	14,191	-	-	-	14,191
St Anne's Hospital	86,066	186	2,472	-	88,724
Education Buildings	512	17,292	(30,455)	12,651	-
St Michael's School	400	1,200	-	-	1,600
Bursaries and school fees	1,241	5,338	(11,610)	5,031	-
Nkope Health Centre	908	-	-	-	908
Donald Arden Bursary Fund	14,296	625	(3,884)	-	11,037
Donald Arden Memorial Fund	17,072	1,250	(3,884)	-	14,438
Gifts list	12,276	7,483	(8,830)	(6,358)	4,571
Vocational courses for women	3,710	-	(1,000)	850	3,560
Chilema equipment	1,814	1,046	-	-	2,860
Other restricted fund projects	5,311	7,513	(5,084)	(1,901)	5,839
Malosa School Buildings	10,386	-	-	(10,386)	-
	226,994	117,643	(216,513)	25,648	153,772

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

15. Summary of funds

Summary of funds - current year

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

Summary of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
Designated funds	17,067	-	-	-	17,067
General funds	34,303	36,812	(43,758)	(25,648)	1,709
Restricted funds	226,994	117,643	(216,513)	25,648	153,772
	<u>278,364</u>	<u>154,455</u>	<u>(260,271)</u>	<u>-</u>	<u>172,548</u>

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

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

MALAWI ASSOCIATION FOR CHRISTIAN SUPPORT

NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	8,538	-	8,538
Current assets	23,286	340,620	363,906
Creditors due within one year	(13,048)	(186,848)	(199,896)
Total	<u>18,776</u>	<u>153,772</u>	<u>172,548</u>

17. Related party transactions

During the year, the trustees gave a total of £18,084 (2019: £16,042) in donations to the charity.