
Maternal & Childhealth Advocacy International

Scottish Charitable Incorporated Organisation

Charity Number: SC043467

Trustees' Report and Financial Statements

For the Year Ended

31st October 2013

sjn consultants

Contents

Legal and Administrative Information	3
Trustees' Report	4
Independent Examiner's Report	8
Statement Of Financial Activities	9
Balance Sheet	10
Notes To The Financial Statements	11

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Number: SC043467
Principal Office: 1 Columba Court
Laide
Achnasheen
Ross-shire
IV22 2NL

Trustees:

At the date of this report, the current Trustees are:

	<u>Appointed</u>
Dr Alison Earley	4 th October 2012
Dr Brigid Hayden	4 th October 2012
Dr Rhona MacDonald	4 th October 2012
Dr David Southall	4 th October 2012
Dr Ian Davis	24 th October 2012
Parin Robbins	16 th November 2013
Dr Sheena Crawford	16 th November 2013
Dr David Skinner	26 th January 2014
Dr Madho Jingree	12 th April 2014

The following Trustees have resigned:

	<u>Appointed</u>	<u>Resigned</u>
Dr James Bunn	4 th October 2012	16 th November 2013
Dr David Nunns	4 th October 2012	19 th January 2013
Dr David Churchill	4 th October 2012	6 th October 2012
Dr Charles Cox	4 th October 2012	7 th October 2012
Lesley Muir	24 th October 2012	12 th April 2013

Independent Examiner:

Sandra J Nairn ACMA CGMA
The Slipway
Inverasdale
Poolewe
Wester Ross
IV22 2LN

Bankers:

Co-operative Bank plc
PO Box 250
Delf House
Skelmersdale
Lancashire
WN8 6WT

TRUSTEES' REPORT

Structure, Governance and Management

Maternal & Childhealth Advocacy International (MCAI) is a Scottish Charitable Incorporated Organisation (SCIO) and was registered with the Scottish Charity Regulator with effect from 4th October 2012 with registration number SC043467.

The charity was originally founded in 1995 in response to the crisis in maternal and child health during the wars in the former Yugoslavia and was registered with the Charity Commission of England and Wales. The administrative headquarters transferred to Scotland in 2012 and the charity was restructured to form the SCIO.

The charity is governed and administered in accordance with its constitution and mission statement.

The structure of the charity consists of the Trustees, who are also the organisation's only members, and comprise the MCAI board.

The Trustees manage the organisation of the charity and make all the major and strategic decisions about its organisation and operation. The Trustees work for the charity on a voluntary basis. The Honorary Executive Director is responsible for the overall management of the charity and implementing the strategy and the Honorary Medical Director is responsible for operational activities and the health safety and security of volunteers. Volunteer project leads are responsible for management and operational issues of each project. Each of these positions is currently held by a trustee of MCAI. Trustee teleconferences are held monthly, reviewing and establishing policy and the direction of the various charitable programmes. The Honorary Finance Director has overall responsibility for the financial management of the charity, including monthly accounts, annual budgets and project budgets. Trustee meetings and Programme meetings are held biannually. The day to day running of the charity is carried out by an administrative team based in Poolewe.

Trustee appointment and recruitment is in line with the requirements set out within the charity's constitution. Trustee recruitment is a fair and open process that can be accessed by any individual aged 16 years and over (excluding employees) who has valuable skills, which will benefit the charity, and who subscribes to the purposes of the organisation and wishes to see them fulfilled. The constitution requires that nominations should come from an existing trustee and that appointment should follow a unanimous decision from the Board of Trustees. The maximum number of trustees is 12 and the minimum is 4.

Objectives and Activities

Charitable Purposes

The charitable purposes of Maternal & Childhealth Advocacy International are defined in its constitution. The purposes are:

- To relieve those in need by reason of age, ill-health, disability, financial hardship or other disadvantage by supporting public health systems in the countries in which we work and by advocating for effective medical treatment to be free at the point of delivery and accessible to all.
- To advance health by saving and improving the lives of seriously ill pregnant women, children, and babies in areas of extreme poverty by empowering and enabling our in-country partners to strengthen emergency healthcare so that every baby, infant, child, and pregnant woman and girl can receive high quality emergency healthcare without delay.

Maternal & Childhealth Advocacy International (SCIO)

Main Activities

During the year, MCAI continued to deliver programmes of training healthcare workers, refurbishment of healthcare facilities, provision of drugs and equipment in Liberia, The Gambia, Cameroon and Bosnia Herzegovina.

Based on human rights conventions, MCAI lobbied at international, national and local level to improve the standard of health care for pregnant women and girls and their babies.

MCAI continued to produce and distribute free up-to-date and evidence based medical teaching materials.

The Trustees and executive maintained a vigorous programme of seeking funds in the form of grants and donations in order to fund the charity's work.

Achievements and Performance

During the financial year MCAI consolidated its new administrative base in the north of Scotland, streamlining financial and management procedures and reducing overheads so that maximum funds might be dedicated to its charitable programmes.

A total of 640 international volunteer days were spent on MCAI projects overseas. Not all of the activities and achievements can be detailed here, but they include the following:

- A groundbreaking project established in rural Liberia to improve maternal and neonatal mortality. Almost 200 healthworkers have successfully completed courses on the emergency care of pregnant women and newborns. 5 of these qualified as fully accredited instructors. This work includes the training of highly selected Liberian midwives in advanced obstetric techniques, including emergency surgery.
- In The Gambia, major refurbishments continued in labour wards, maternity units and operating theatres. Supply of essential drugs and supplies continued. An MCAI volunteer obstetrician practised in several hospitals for eight months of the year.
- In Cameroon, the PMTCT programme has reduced the transmission rate of HIV from mother to child to around 7% among the families coming to the MCAI clinic. Problems with follow-up were addressed this year on two visits by the project lead, accompanied by various health professionals, including a play specialist.

Future Plans

MCAI will continue in its main aims and objectives, following through with existing programmes and ensuring that all are sustainable.

During the year, a needs assessment was carried out in Afghanistan, at the invitation of the Afghan Ministry of Health and with a view to establishing MCAI's SEC programme in Kabul and also rural areas. MCAI's programme was approved and an application has been made for funding.

Financial Review

Policy on reserves

Sufficient funds are always held in reserve to ensure that the charity can operate for 6 months. The current cost of this is calculated at £32,000.

MCAI intends that any surplus funds over and above this amount will be carried forward at the end of each financial year and spent in accordance with the donors' wishes.

Review of accounts

The year under review is one of transition. MCAI converted from a charity and limited company registered in England to a Scottish Charitable Incorporated Organisation (SCIO). This had financial and operation implications detailed in this report and in the notes to the accounts.

Charitable income for the year totalled £299,914 (excluding transferred funds from the limited company, which was dissolved in June 2013).

£71,438 of this total came from individual donors. Income from this source may show a decrease over this and the next year due to the loss of regular donations following the charity's change of bank account (which was required by its change of status).

Remaining income included £48,695 from a substantial UKAid grant for a new programme in Liberia, £60,420 from SIGBI support funding for ongoing work in The Gambia, £87,296 from ALSG funding the SEC programmes, together with smaller grants and donations from trusts, foundations, community groups and MCAI's fundraising activities.

Of expenditure, £227,638 was spent directly on charitable activities – mainly £68,393 in Liberia, £64,192 in The Gambia, £18,147 in Cameroon, £6,946 in Bosnia, and £3,817 on developmental educational projects. £29,842 was spent on activity overheads and charity governance.

Governance costs only include the cost of trustee meetings and accounting. During this transition year, staff roles have developed and the Executive Manager (EM) has started to take on some governance duties. The Trustees will review the proportion of the EM's salary to be allocated to governance costs in future years to reflect the work done relating to the governance of the charity.

There were no gifts in kind of any direct monetary value. But it should be noted that MCAI could not operate without the commitment and dedication of its volunteers who have donated a total of 640 hours for the charity's programme work overseas. In addition, the Honorary Executive Director works part-time on managerial and strategic activities on a voluntary basis. The Honorary Medical Director works full time on a voluntary basis on the operational activities of the charity and ensures the health, safety and security of the volunteers. The 4 project leads, who have overall management and operational responsibility for each international project, all work as volunteers. Their time and effort is considerable and of great value to MCAI. Likewise, MCAI trustees donate their time free of charge.

Further, MCAI gratefully acknowledges the donation during the year of surplus equipment and supplies from NHS community nurses and the Red Cross, as well as numerous gifts of knitting and sewing from SIGBI members – all of which have been used for healthcare and education.

Statement of Trustees Responsibilities

The Trustees of the charity 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).

Charity law requires the Trustees to prepare financial statements for each financial year. The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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 of the Charities SORP;

Maternal & Childhealth Advocacy International (SCIO)

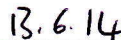
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping 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 Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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 29 May 2014 and signed on their behalf by:



Dr Rhona MacDonald
Trustee



Date

INDEPENDENT EXAMINER'S REPORT

Independent examiner's report to the trustees of Maternal & Childhealth Advocacy International Scottish Charitable Incorporated Organisation

I report on the financial statements of the charity for the year ended 31 October 2013 which are set out on pages 9 to 16.

This report is made solely to the company's Trustees, as a body, in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the company'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 company and the company's Trustees as a body, for my work or for this report.

Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and regulation 4 of the Accounts Regulations; and
- to prepare financial statements which accord with the accounting records and comply with regulation 8 of the Accounts Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated: 2 Jun 14

Sandra J Nairn ACMA CGMA

SJN Consultants Ltd

The Slipway

Inverasdale

Poolewe

Wester Ross

IV22 2LN

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 October 2013

		2013		
	Note	Unrestricted Fund £	Restricted Fund £	Total £
Incoming Resources				
Incoming resources from generated funds				
- Voluntary income	(2)	81,470	311,576	393,046
- Activities for generating funds	(3)	2,450	1,094	3,544
- Investment income	(4)	195	-	195
Total incoming resources		84,115	312,670	396,785
Resources Expended				
Costs of generating funds				
- Fundraising trading cost of goods sold and other costs	(5)	6,715	801	7,516
Costs of charitable activities	(6)	27,923	199,715	227,638
Governance costs	(7)	1,919	-	1,919
Total resources expended		36,557	200,516	237,073
Net (outgoing)/incoming resources made before transfers		47,558	112,154	159,712
Gross transfers between funds		-	-	-
Net (outgoing)/incoming resources	(10)	47,558	112,154	159,712
Fund balances brought forward at 1 Nov 2012		-	-	-
Fund balances carried forward at 31 Oct 2013		47,558	112,154	159,712
Net expenditure on additions to fixed assets	(11)	8,789	799	9,588

The notes on pages 11 to 16 form part of these financial statements.

Maternal & Childhealth Advocacy International (SCIO)

BALANCE SHEET

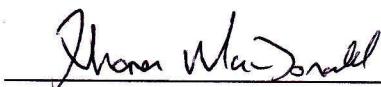
As at 31 October 2013

	Note	2013	
		£	£
Fixed Assets			
Tangible assets	(11)		3,562
Current Assets			
Debtors	(12)	29,962	
Cash at bank and in hand		<u>134,991</u>	
		164,953	
Creditors:			
Amounts falling due within one year	(13)	<u>8,803</u>	
Net current assets			<u>156,150</u>
			<u>159,712</u>
Represented by:			
Funds - Unrestricted			47,558
- Restricted	(15)		<u>112,154</u>
			<u>159,712</u>

The charity's trustees acknowledge their responsibilities for the maintenance of accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the charity and of its net incoming resources for the year in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations).

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply.

The financial statements were approved by the Trustees and signed on their behalf by:



Dr Rhona MacDonald
Trustee

13.6.14

Date

Scottish Charitable Incorporated Organisation Number: SC043467

The notes on pages 11 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2013

1. Accounting policies

(a) Accounting convention

The financial statements have been prepared under the historical cost accounting rules and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements have been prepared to comply with the requirements of the Statement of Recommended Practice – Accounting and Reporting by Charities issued in March 2005.

(b) Tangible fixed assets and depreciation

Tangible fixed assets are included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at the following rates, calculated to write off the cost less estimated residual value over their estimated useful lives.

Equipment – Unrestricted	20% reducing balance
– Restricted	33% reducing balance

For assets held in foreign countries where the asset is likely to be quickly rendered worthless, their cost is written off in the year of acquisition.

(c) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

(d) Restricted funds

These comprise monies donated for specific projects for the assistance of children in desperate situations, who are victims of war, poverty and political upheaval abroad. Any overspending on these funds is covered by transfers from unrestricted funds.

(e) Gifts in kind

No donations of goods or services were received during the year.

(f) Cost allocation

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. staff time.

Notes To The Financial Statements – continued

For the year ended 31 October 2013

	2013		
	Unrestricted	Restricted	Total
	Fund	Fund	
	£	£	£
2. Voluntary income			
Donations from individuals	57,185	14,253	71,438
Donation from MCAI (Ltd Co)*	13,411	83,460	96,871
Appeals	-	-	-
Government & Global Agencies	5,113	67,253	72,366
Companies and Community Groups	1,351	135,276	136,627
Gifts in Kind	-	-	-
Trusts and Foundations	3,850	11,334	15,184
Recycling	560	-	560
	<u>81,470</u>	<u>311,576</u>	<u>393,046</u>
* Note the voluntary income includes a one-off donation of £96,871 relating to the transfer of reserves from the previous company limited by guarantee to the SCIO. The voluntary income relating to normal activities is therefore £296,175, allocated as £68,059 Unrestricted Fund and £228,116 Restricted Fund.			
3. Activities for generating funds			
Royalties and product sales	66	-	66
Sundry Events	2,317	389	2,706
MCAI Teaching materials	67	705	772
	<u>2,450</u>	<u>1,094</u>	<u>3,544</u>
4. Investment income			
Bank Interest	<u>195</u>	<u>-</u>	<u>195</u>
5. Fundraising trading cost of goods sold and other costs			
Fundraising costs	435	10	445
UK office salaries	4,880	-	4,880
Rent, rates and insurance	364	-	364
Telephone	77	6	83
Computer	13	3	16
Sundry expenses	67	1	68
Printing postage, stationery	302	755	1,057
Depreciation – Equipment	76	26	102
(Profit)/Loss on disposal of assets	<u>501</u>	<u>-</u>	<u>501</u>
	<u>6,715</u>	<u>801</u>	<u>7,516</u>

Notes To The Financial Statements – continued

For the year ended 31 October 2013

	2013		
	Unrestricted	Restricted	Total
	<u>Fund</u>	<u>Fund</u>	<u>£</u>
	£	£	£
6. Cost of charitable activities			
Medical training, equipment and supplies	903	65,488	66,391
Teaching materials costs	26	15,458	15,484
Project operational costs	-	8,528	8,528
Monitoring & evaluation	-	2,327	2,327
Overseas medical and project staff	-	24,648	24,648
UK office salaries	43,917	-	43,917
Rent, rates and insurance	3,280	-	3,280
Telephone	699	52	751
Computer	116	27	143
Sundry expenses	606	9	615
Printing postage, stationary	2,717	6,798	9,515
Bank charges and interest	85	953	1,038
Depreciation – Equipment	681	237	918
(Profit)/Loss on disposal of assets	4,505	-	4,505
Motor and travel	-	46,059	46,059
Management recharge	(29,340)	29,340	-
Administration recharge	(272)	272	-
Donations to Affiliates	-	(481)	(481)
	<u>27,923</u>	<u>199,715</u>	<u>227,638</u>
7. Governance costs			
Independent examination fees	480	-	480
Book keeping and payroll service	528	-	528
Trustee expenses	911	-	911
	<u>1,919</u>	<u>-</u>	<u>1,919</u>

Notes To The Financial Statements – continued

For the year ended 31 October 2013

	<u>2013</u>
	<u>No.</u>
8. Employees	
The average number of employees:	4
	£
Gross salaries	46,609
Employers NIC	2,188
Employers pension contributions	-
	<u>48,797</u>

The above relates to full time UK based, working equivalents allocated accordingly between direct charitable expenditure, fundraising and administration costs.

No remuneration was received by the trustees during the year.

Trustees expenses totalling £911 were paid during the year to trustees for expenses relating to trustees duties.

There are no employees with emoluments above £60,000 per annum.

	<u>2013</u>
	£
9. Surplus for the year	
The surplus for the year is shown after charging:-	
Accountants' remuneration - audit fees	-
- other services	528
Independent Examination fees	480
Depreciation	<u>1,020</u>

10. Net resources

The net (outgoing)/incoming resources include the one-off transfer of reserves from the previous company limited by guarantee to the SCIO. The net resources relating to normal activities are therefore £62,841, allocated as £34,147 Unrestricted Fund and £28,694 Restricted Fund.

Notes To The Financial Statements – continued

For the year ended 31 October 2013

	<u>Equipment</u> £	<u>Total</u> £
11. Tangible fixed assets		
Cost		
At 1 November 2012	-	-
Additions	9,588	9,588
Disposals	(5,006)	(5,006)
At 31 October 2013	<u>4,582</u>	<u>4,582</u>
Depreciation		
At 1 November 2012	-	-
Disposals	-	-
Changes for the year	1,020	1,020
At 31 October 2013	<u>1,020</u>	<u>1,020</u>
Net Book Value		
At 31 October 2013	<u>3,562</u>	<u>3,562</u>
At 1 November 2012	<u>-</u>	<u>-</u>

Some items of equipment relate to restricted funds.

The net expenditure on additions to fixed assets include the one-off transfer of fixed assets from the previous company limited by guarantee to the SCIO. The assets were transferred at a book value of £8,925, then a disposal of £5,006 was applied to align with the value of assets now held.

	2013		
	<u>Unrestricted</u> <u>Fund</u> £	<u>Restricted</u> <u>Fund</u> £	<u>Total</u> £
12. Debtors			
Prepayments	3,220	26,742	29,962
Other debtors	-	-	-
	<u>3,220</u>	<u>26,742</u>	<u>29,962</u>
13. Creditors: Amounts falling due within one year			
Accruals and deferred income	<u>1,523</u>	<u>7,280</u>	<u>8,803</u>

Notes To The Financial Statements – continued

For the year ended 31 October 2013

	2013		
	Unrestricted	Restricted	Total
	<u>Fund</u>	<u>Fund</u>	
	£	£	£
14. Analysis of net assets between funds			
Fixed assets	3,026	536	3,562
Current assets	46,055	118,898	164,953
Current liabilities	(1,523)	(7,280)	(8,803)
	<u>47,558</u>	<u>112,154</u>	<u>159,712</u>

	Opening	Movement in Resources			Total
	<u>Funds</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Transfers</u>	
	£	£	£	£	£
15. Restricted funds					
Afghanistan Needs Assessment	-	-	2,464	2,000	(464)
Bosnia	-	8,831	6,946	-	1,885
Cameroon General	-	1,514	1,479	70	105
Cameroon Mother & Child Services	-	14,171	6,436	-	7,735
Cameroon Burkitt's Lymphoma	-	4,095	1,850	-	2,245
Cameroon Mother & Baby Unit	-	75	5	(70)	-
Cameroon PMTCT Nkwen	-	10,689	8,377	-	2,312
Gambia SEC	-	103,944	64,192	7,000	46,752
Liberia SEC	-	(1,202)	16,092	20,000	2,706
Liberia THET	-	50,418	52,301	-	(1,883)
CAI Pakistan	-	110	(481)	-	591
Strengthening Emergency Health Care*	-	113,605	37,038	(29,000)	47,567
Textbook	-	5,715	2,851	-	2,864
Training Materials	-	705	966	-	(261)
	<u>-</u>	<u>312,670</u>	<u>200,516</u>	<u>-</u>	<u>112,154</u>

* Strengthening Emergency Health Care includes the ESS-EMNCH (Essential Surgical Skills - Emergency Maternal, Neonatal & Child Healthcare) medical educational training course