
Maternal & Childhealth Advocacy International

Scottish Charitable Incorporated Organisation

Charity Number: SC043467

Trustees' Report and Financial Statements

For the Year Ended

31st October 2017

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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 Brigid Hayden	4 th October 2012	
Dr Rhona MacDonald	4 th October 2012	Honorary Executive and Finance Director
Dr David Southall	4 th October 2012	Honorary Medical Director
Dr Madho Jingree	12 th April 2014	
Ms Wendy Martin	8 th September 2016	

Independent Examiner:

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

UK Banks:

Co-operative Bank plc
PO Box 200
Skelmersdale
Lancashire
WN8 6GH

Scottish Widows
67 Morrison Street
Edinburgh
EH3 8YJ

Triodos
Deanery Road
Bristol
BS1 5AS

International Banks:

Ecobank Liberia
Head Office, Monrovia
Randall Street
Monrovia
Liberia

Standard Chartered Bank, The Gambia
8 Ecowas Avenue
PO Box 259
The Gambia

Banque Atlantique Cameroon
PO Box 818
Bamenda
Cameroon

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 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, governance, operation, and structure. The Trustees work for the charity on a voluntary basis. The Honorary Executive & Finance Director is responsible for the overall management of the charity and the Honorary Medical Director is responsible for operational activities in international projects and the health of international charity workers (previously referred to as 'volunteers'). Trustees share the responsibility of the safety and security of international charity workers. The day to day running of the charity is carried out by a small administrative team of part-time staff based in Poolewe, Scotland. National administrative staff in Cameroon, Liberia, and The Gambia run the day to day operations of the international programmes. Committed UK-based volunteers help with the analysis of the monitoring and administration of the international projects.

Trustee appointment and recruitment is in line with the criteria stipulated in 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 and experience that will benefit the charity, who subscribes to the purposes of the organisation, and believes in MCAI's stated values. The constitution requires that nominations should come from an existing trustee and that appointment should follow a staged recruitment process, a conflict of interest check, and 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.

Main Activities

Throughout the year, in Liberia, MCAI continued to deliver training programmes in advanced obstetric and neonatal care for different cadres of healthcare workers, and in both Liberia and The Gambia, supported the health service delivery of quality maternal and neonatal care in public hospitals by supporting expert national staff. In order to provide continuous emergency health care, MCAI continued to provide medicines and medical supplies and equipment.

All training programmes continue to be rigorously monitored and evaluated with robust data, which is shared with partners and donors.

MCAI continued to develop and distribute up-to-date and evidence-based medical teaching materials, including textbooks, pocketbooks and E-Libraries, to health workers in low-resource settings.

MCAI continued to advocate for the rights of pregnant women, babies, and children at a national and international level, and to translate these rights into practical clinical work and programmes.

The Trustees undertook fundraising activities throughout the year (adhering to MCAI's ethical fundraising policy) in the form of applying for grants and seeking donations in order to fund the charity's project work. All fundraising activity throughout the year was undertaken by unpaid volunteers and Trustees not based in the office with minimal financial cost to the charity. Trustees also regularly reviewed, developed, and upheld the charity's governance structures, policies, and operating procedures, particularly as regards safeguarding.

Achievements and Performance

A total of 543 international volunteer days were spent on MCAI's projects in West Africa.

- In Liberia, as part of MCAI's advanced obstetric training programme, the first two qualified obstetric clinicians continued to work in two public hospitals as requested by the Ministry of Health while sharing their expertise and experience with their health worker colleagues to help build knowledge and capacity in the health workforce. The next 9 trainee obstetric clinicians continued with their training by successfully undergoing the second year of the 3-year training programme, supported by regular distance learning tutorials from UK experts and continuously assessed through weekly written exams. Two UK obstetricians visited Liberia to help provide hands on support with the practical apprenticeship component of the training. MCAI's Liberian master trainer continued to provide a high level of overall leadership and supervision to the programme.
- Again in Liberia, in April 2017, MCAI's task-sharing programme in advanced neonatal care commenced, operating through a Partnership with the Ministry of Health, WHO Liberia, and UNFPA Liberia. Four experienced nurses were recruited to be the first trainee neonatal clinicians and are currently undergoing the first year of this two year training programme. MCAI recruited and appointed an international expert in neonatal care to be the lead trainer in Liberia. The trainees received weekly distance learning tutorials from UK experts and were continuously assessed through weekly written exams. Three neonatal experts (two from the UK and one from the USA) visited Liberia to provide further support. With the leadership and innovation of the lead neonatal trainer, a high quality neonatal unit was established at a public hospital in Liberia (CB Dunbar Hospital).
- MCAI's Honorary Medical Director visited Liberia every 2 – 3 months to provide supervision, leadership, and quality control to the obstetric and neonatal programmes.
- In The Gambia, MCAI continued to support national staff (doctors, midwives, nurses, and orderlies) to run the maternity unit at Brikama Hospital, the busiest unit in The Gambia. This support continued during the political crisis in The Gambia, with the change in President in January 2017. MCAI's Honorary Medical Director and a Trustee visited The Gambia in September 2017 to re-establish a partnership with the Ministry of Health and to provide support to national staff.
- In Cameroon, MCAI provided and delivered a neonatal care course in November 2016 and continued to support the delivery of Prevention of Mother to Child Transmission (of HIV) programmes in Bamenda and Nkwen. Throughout the year, plans were developed and shared with national staff for the planned exit of MCAI from Cameroon at the end of December 2017.

Future Plans

In Liberia, MCAI plans to expand the advanced obstetric training programme by appointing ten new obstetric trainees and also to expand the advanced neonatal programme by appointing 3 new trainees. MCAI will develop plans for the current trainees in both the obstetric and neonatal programmes to undergo

an internship year. If external funding can be secured, MCAI plans to establish a new neonatal unit at another public hospital (CH Rennie Hospital).

MCAI will continue to support the Brikama Maternity Unit over the coming year by continuing to support national staff. Further support after this year will depend on the provision of external funding.

MCAI plans to withdraw from Cameroon at the end of 2017, giving adequate time for the preparation required to hand over the PMTCT programmes to the local government to run and for national staff to find alternative employment.

MCAI will continue the successful free book distribution programme to health workers in low-resource settings and continue to develop and freely distribute the E-Library.

Financial Review

Policy on reserves

Sufficient funds are always held in reserve to ensure that the charity can operate the UK office and pay UK staff for 4 months with an additional agreed amount (£3,000) for contingency, such as the event of staff redundancy. Trustees consider that the 4 month time period is sufficient to allow for financial responsibilities to be upheld in any (unlikely) unforeseen circumstances that might lead to the dissolution of the charity and the £3,000 additional funds necessary to uphold duties and responsibilities to employed staff. Trustees consider that this reserve policy is prudent financial governance, which balances the effective use of funds for charitable purposes with responsibilities and duties to UK employed staff and other contractual and legal obligations.

MCAI upholds its responsibilities to its projects (including national staff) by allowing funds from MCAI's partner, the Advanced Life Support Group (ALSG) to accrue over the year to be spent in the following year. This policy (supported by ALSG) means that there are always sufficient funds to sustainably maintain and develop MCAI's project work (and therefore fulfil MCAI's charitable purposes) and uphold financial responsibilities to national staff.

These policies are reviewed on an annual basis, or more regularly if deemed appropriate, by MCAI's Honorary Executive and Finance Director.

Review of accounts

Charitable income for the year totalled £ 191,227, which is notably down on the previous year (£262,172). Trustees anticipated this situation and the reduction in income was successfully managed by releasing funds which had been accrued in the previous year (from the ALSG Holding Fund and Allocated Funds - a funding recording system that ringfences grants and donations for specific projects until they have been fully spent) and specifically for use in MCAI's project work in Liberia and The Gambia.

This financial year, £83,502 of grants and donations held in Allocated Funds (£83,800 of which was received in the previous financial year) were transferred for use in specific projects in Liberia and The Gambia. These transfers from this funding stream helped to offset the £28,119 net deficit in the restricted income this financial year. £34,474 of income was received into Allocated funds this year, of which £26,483 will be available for use in specific projects in the next financial year. Of note, £8,289 of project expenditure for Liberia came directly from Allocated Funds and so are therefore not included in expenditure on the Liberian projects.

MCAI received several grants throughout the year, for the task-sharing programme in advanced neonatal care in Liberia namely: £13,667 (\$18,450) from WHO; £7,407 (\$10,000) from UNFPA; and £1,000 from the Anthony and Elaine Bethell Charitable Foundation. Notably, over £20,000 of funds for this project were received from a personal appeal by one of the UK neonatal experts who visited Liberia and provides distance learning support.

MCAI's partner, the Advanced Life Support Group (ALSG), provided £84,345 throughout the year for the future funding for programmes in Liberia and The Gambia (£75,572) in the next financial year and for programme support (UK staff salaries) in the current year. MCAI also received several large donations from individual donors and smaller grants and donations from trusts, foundations, community groups, and MCAI's fundraising activities.

Because of the planned exit from Cameroon at the end of December 2017, MCAI did not apply for any additional funds for Cameroon over this year as there were sufficient funds to support the project work and fulfil commitments to national staff.

Income from trading activities increased this year to £11,747 (from £7,639 the previous year) mainly because of fundraising activities. Income from sales of MCAI's books totalled £1,956.

Of expenditure, £218,375 was spent directly on charitable activities of which £34,889 was spent on related activity running costs (overheads) and £1,116 on charity governance. Expenditure on governance has reduced compared to the previous year, mostly because of staff restructuring. Robust charity governance continued and further developed throughout the year under the leadership of the Honorary Executive and Financial Director and Charity Trustees, which has no financial cost.

Unrestricted expenditure exceeded income by £2,027, which is much reduced from the previous year and demonstrates the effectiveness of the UK staff restructuring approach undertaken by Trustees to achieve a sustainable funding plan for charity running costs. UK staff salaries for the year totalled £26,365 (reduced from £43,800 the previous year). Although offered a workplace pension from July 2017, UK staff chose not to join a scheme. Throughout the year, monthly income for charity running costs matched expenditure as the excess in expenditure was mostly for a one-off redundancy cost.

Costs of national staff in Liberia and The Gambia remained at a high level this year and increased from the previous year (£87,879) to £106,868 as a result of the UK staff restructuring to maximise the use and expertise of national staff and the expansion of MCAI's programmes in Liberia and The Gambia, which rely on national staff.

In line with accounting practices, the finances and charitable activities relating to the textbook (International Maternal and Child Health Care: a practical manual for hospitals worldwide) and the pocketbooks (Hospital Care for Maternal Emergencies and Hospital Care for Neonates and Infants) financed by MCAI, are shown in "stock" (pg 11 and 14). Most of the work involved in the book distribution project is undertaken by a dedicated UK volunteer: as noted in the paragraph below, the charitable activities of MCAI could not be achieved without the work of its committed and much valued volunteers.

Gifts in kind amounted to £575, and included donations of equipment from UK expert volunteers visiting Cameroon and Liberia. In addition, MCAI's international medical charity workers have donated a total of 543 days towards the charity's international programme work. The Honorary Executive & Finance Director works on a voluntary part-time basis on managerial, finance, fundraising, and governance activities. The Honorary Medical Director works full time on a voluntary basis on the operational activities of the charity. The Project Leads, who have overall management and operational responsibility for each international project, also work as volunteers, as do MCAI Trustees. MCAI could not operate without the valuable time and effort donated by its volunteers.

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

Maternal & Childhealth Advocacy International (SCIO)

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;
- 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 31 May 2018 and signed on their behalf by:



Dr Rhona MacDonald
Trustee

07 June 2018

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 2017 which are set out on pages 10 to 21.

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 the 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:

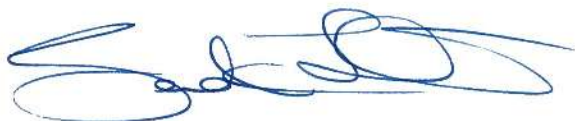
(1) which gives me reasonable cause to believe that in any material respect the requirements:

- 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: 07 June 2018

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 2017

	Note	2017		2016	
		Unrestricted Fund £	Restricted Fund £	Total £	
Income and endowments from:					
Incoming resources from generated funds					
- Donations and legacies	(3)	33,323	145,945	179,268	253,941
- Charitable activities	(4)	-	-	-	-
- Other trading activities	(5)	422	11,325	11,747	7,639
- Investments	(6)	212	-	212	592
- Other		-	-	-	-
Total income		33,957	157,270	191,227	262,172
Expenditure on:					
- Raising funds	(7)	588	1,294	1,882	4,141
- Charitable activities	(8)	34,889	183,486	218,375	211,802
- Other	(9)	1,116	-	1,116	3,935
Total expenditure		36,593	184,780	221,373	219,878
Net gains on investments		-	-	-	-
Net (expenditure)/income	(10)	(2,636)	(27,510)	(30,146)	42,294
Transfers between funds		609	(609)	-	-
Net (expenditure)/income before other gains/ (losses)		(2,027)	(28,119)	(30,146)	42,294
Other gains/(losses)		-	-	-	-
Net movement in funds		(2,027)	(28,119)	(30,146)	42,294
Reconciliation of Funds:					
Total funds brought forward at 1 Nov 2016		35,433	220,864	256,297	214,003
Total funds carried forward at 31 Oct 2017		33,406	192,745	226,151	256,297

The notes on pages 13 to 21 form part of these financial statements.

BALANCE SHEET

As at 31 October 2017

	Note	2017		2016
		£	£	£
Fixed Assets				
Tangible assets	(12)		2,007	2,540
Current Assets				
Stocks		16,088		19,606
Debtors	(13)	9,821		24,238
Cash at bank and in hand		204,665		216,836
		230,574		260,680
Creditors:				
Amounts falling due within one year	(14)	6,430		6,923
Net Current Assets			224,144	253,757
Total Net Assets			226,151	256,297
Represented by:				
Funds - Unrestricted			33,406	35,433
- Restricted	(17)		192,745	220,864
			226,151	256,297

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

07 June 2018

Date

Scottish Charitable Incorporated Organisation Number: SC043467

The notes on pages 13 to 21 form part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 October 2017

	<u>2017</u>	<u>2016</u>
	£	£
Cash flows from operating activities		
Net (expenditure)/income per Statement of Financial Activities	(30,146)	42,294
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	533	680
Loss on disposal of tangible fixed assets	-	-
Dividends, interest and rents from investments	(212)	(592)
(Increase)/decrease in stocks	3,518	(2,309)
(Increase)/decrease in trade and other receivables	14,417	(1,414)
Increase/(decrease) in trade and other payables	(493)	(3,788)
Net cash provided by operating activities	17,763	(7,423)
Cash flows from investing activities:		
Proceeds from sales of property, plant and equipment	-	-
Purchases of property, plant and equipment	-	-
Dividends, interest and rents from investments	212	592
Net cash from/(used in) investing activities	212	592
Net cash from financing activities	-	-
Net increase in cash and cash equivalents	(12,171)	35,463
Cash and cash equivalents at the beginning of the year	216,836	181,373
Cash and cash equivalents at the end of the year	204,665	216,836
Components of cash and cash equivalents:		
Cash and bank balances	204,665	216,836

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2017

1. Accounting policies

(a) Basis of preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared 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) – Charities SORP (FRS 102) (effective 1 January 2015) – the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

(b) Change in basis of accounting or to previous periods

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

(c) Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

(d) Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably

	quantifiable, measurable and material.				
Volunteer help	The value of any volunteer help received is not included in the accounts.				
Investment income	This is included in the accounts when receivable.				
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.				
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.				
(e) Expenditure					
Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.				
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.				
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.				
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.				
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.				
Other expenditure	These are support costs not allocated to a particular activity.				
(f) Taxation					
	The charity is exempt from tax on its charitable activities.				
(g) Tangible fixed assets and depreciation					
	Tangible fixed assets are included at cost including any incidental expenses of acquisition.				
	Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:				
	<table border="0" style="margin-left: 40px;"> <tr> <td>Equipment – Unrestricted</td> <td>20% reducing balance</td> </tr> <tr> <td>– Restricted</td> <td>33% reducing balance</td> </tr> </table>	Equipment – Unrestricted	20% reducing balance	– Restricted	33% reducing balance
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.				
(h) Stocks					
	Stocks relate to textbooks and pocketbooks financed and owned by MCAI and will be distributed to health workers in middle and low income countries throughout the world as a key component of MCAI's charitable activities. Stocks are valued at cost.				

(i) Trade and other debtors

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

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

(k) Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(l) Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period. Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred. All exchange differences are taken into account in arriving at net income/expenditure.

(m) Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

(n) 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 2017

2. Statement of financial activities – prior year

	Note	2016		Total £
		Unrestricted Fund £	Restricted Fund £	
Income and endowments from:				
Incoming resources from generated funds				
- Donations and legacies	(3)	45,944	207,997	253,941
- Charitable activities	(4)	-	-	-
- Other trading activities	(5)	786	6,853	7,639
- Investments	(6)	592	-	592
- Other		-	-	-
Total income		<u>47,322</u>	<u>214,850</u>	<u>262,172</u>
Expenditure on:				
- Raising funds	(7)	2,394	1,747	4,141
- Charitable activities	(8)	50,515	161,287	211,802
- Other	(9)	2,749	1,186	3,935
Total expenditure		<u>55,658</u>	<u>164,220</u>	<u>219,878</u>
Net gains on investments		-	-	-
Net (expenditure)/income	(10)	<u>(8,336)</u>	<u>50,630</u>	<u>42,294</u>
Transfers between funds		<u>(7,224)</u>	<u>7,224</u>	-
Net (expenditure)/income before other gains/ (losses)		<u>(15,560)</u>	<u>57,854</u>	<u>42,294</u>
Other gains/(losses)		-	-	-
Net movement in funds		<u>(15,560)</u>	<u>57,854</u>	<u>42,294</u>
Reconciliation of Funds:				
Total funds brought forward at 1 Nov 2015		50,993	163,010	214,003
Total funds carried forward at 31 Oct 2016		<u>35,433</u>	<u>220,864</u>	<u>256,297</u>

Notes To The Financial Statements – continued

For the year ended 31 October 2017

	2017		2016	
	Unrestricted <u>Fund</u> £	Restricted <u>Fund</u> £	<u>Total</u> £	<u>Total</u> £
3. Income from donations and legacies				
Donations from individuals – regular	7,435	12,478	19,913	19,185
Donations from individuals – one-off	90	16,896	16,986	39,086
Legacies	-	5,000	5,000	-
Gift Aid income	3,898	3,606	7,504	13,543
Appeals	-	-	-	1,680
Government & Global Agencies	-	43,395	43,395	52,186
Companies and Community Groups	21,900	62,445	84,345	98,104
Gifts in Kind	-	575	575	2,187
Trusts and Foundations	-	1,000	1,000	27,713
Sundry Income	-	550	550	257
	<u>33,323</u>	<u>145,945</u>	<u>179,268</u>	<u>253,941</u>
4. Income from charitable activities				
Textbooks and Pocketbooks donated	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5. Income from other trading activities				
Textbook and Pocketbook sales incl. p&p	-	1,956	1,956	3,972
Fundraising activities and sundry events	316	9,369	9,685	3,236
Recycling	44	-	44	30
Royalties and product sales	29	-	29	60
MCAI Teaching materials	33	-	33	341
	<u>422</u>	<u>11,325</u>	<u>11,747</u>	<u>7,639</u>
6. Income from investments				
Bank Interest	212	-	212	592
	<u>212</u>	<u>-</u>	<u>212</u>	<u>592</u>

Notes To The Financial Statements – continued

For the year ended 31 October 2017

	2017		2016	
	Unrestricted <u>Fund</u> £	Restricted <u>Fund</u> £	<u>Total</u> £	<u>Total</u> £
7. Expenditure on raising funds				
Cost of book sales	-	548	548	1,465
Fundraising costs	238	729	967	518
UK office salaries	264	-	264	1,755
Rent, rates and insurance	53	-	53	207
Telephone	9	6	15	56
Computer	-	1	1	31
Sundry expenses	1	-	1	3
Printing postage, stationery, advertising	18	9	27	79
Depreciation – Equipment	5	1	6	27
(Profit)/Loss on disposal of assets	-	-	-	-
	<u>588</u>	<u>1,294</u>	<u>1,882</u>	<u>4,141</u>
8. Expenditure on charitable activities				
Medical training, equipment and supplies	137	34,557	34,694	21,815
Teaching materials costs	7	4,631	4,638	8,492
Storage and transportation	-	4,168	4,168	-
Project operational costs	-	2,206	2,206	5,835
Monitoring & evaluation	-	-	-	-
In-country staff costs	-	106,868	106,868	87,879
UK office salaries	26,102	-	26,102	42,113
Rent, rates and insurance	5,289	-	5,289	4,968
Telephone	890	635	1,525	1,322
Computer	39	89	128	753
Sundry expenses	48	14	62	76
Printing postage, stationary, advertising	1,829	964	2,793	1,894
Bank charges and interest, exchange rate gains and losses	-	4,012	4,012	(4,179)
Depreciation – Equipment	466	61	527	653
(Profit)/Loss on disposal of assets	-	-	-	-
Motor, travel, insurance and subsistence	32	25,281	25,313	40,181
Donations to Affiliates	50	-	50	-
	<u>34,889</u>	<u>183,486</u>	<u>218,375</u>	<u>211,802</u>

Notes To The Financial Statements – continued

For the year ended 31 October 2017

	2017		2016
	Unrestricted	Restricted	Total
	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
	£	£	£
9. Other expenditure - governance			
UK Salaries	-	-	1,164
Room hire	-	-	-
Independent examination fees	523	-	510
Book keeping and payroll service	558	-	360
Trustee expenses	-	-	190
UK staff and trustee travel	-	-	-
Other professional fees	-	-	1,711
Sundry expenses	35	-	-
	<u>1,116</u>	<u>-</u>	<u>3,935</u>

	<u>2017</u>	<u>2016</u>
	£	£
10. Net income before transfers		
This is stated after charging:-		
Depreciation of owned fixed assets	533	680
Independent Examination fees	523	510
Accountants' remuneration - other services	558	360
	<u>533</u>	<u>680</u>

	<u>2017</u>	<u>2016</u>
	£	£
11. UK Staff and Trustee Remuneration		
The average number of UK employees:	2	3
	£	£
Gross salaries	26,365	43,800
Employers NIC	-	1,232
Employers pension contributions	-	-
	<u>26,365</u>	<u>45,032</u>

The above relates to full time UK based, working equivalents allocated accordingly between direct charitable expenditure, fundraising, and administration costs. There are no employees with emoluments above £60,000 per annum.

No remuneration was received by the trustees during the year.

Trustees expenses totalling £Nil (2016 - £190) were paid during the year to trustees for expenses relating to trustees duties.

Notes To The Financial Statements – continued

For the year ended 31 October 2017

	<u>Equipment</u> £	<u>Total</u> £
12. Tangible fixed assets		
Cost		
At 1 November 2016	5,965	5,965
Additions	-	-
Disposals	-	-
At 31 October 2017	<u>5,965</u>	<u>5,965</u>
Depreciation		
At 1 November 2016	3,425	3,425
Disposals	-	-
Charges for the year	533	533
At 31 October 2017	<u>3,958</u>	<u>3,958</u>
Net Book Value		
At 31 October 2017	<u>2,007</u>	<u>2,007</u>
At 1 November 2016	<u>2,540</u>	<u>2,540</u>

Some items of equipment relate to restricted funds.

	<u>2017</u>			<u>2016</u>
	<u>Unrestricted</u> <u>Fund</u> £	<u>Restricted</u> <u>Fund</u> £	<u>Total</u> £	<u>Total</u> £
13. Debtors				
Trade debtors	-	126	126	-
Prepayments	3,017	6,678	9,695	24,238
	<u>3,017</u>	<u>6,804</u>	<u>9,821</u>	<u>24,238</u>
14. Creditors: Amounts falling due within one year				
UK Social Security and Taxes	63	-	63	360
Overseas Social Security and Taxes	-	-	-	559
Accruals and deferred income	2,389	3,978	6,367	6,004
	<u>2,452</u>	<u>3,978</u>	<u>6,430</u>	<u>6,923</u>
15. Analysis of net assets between funds				
Fixed assets	1,882	125	2,007	2,540
Current assets	33,976	196,598	230,574	260,680
Current liabilities	(2,452)	(3,978)	(6,430)	(6,923)
	<u>33,406</u>	<u>192,745</u>	<u>226,151</u>	<u>256,297</u>

Notes To The Financial Statements – continued

For the year ended 31 October 2017

16. Movement in funds	Opening	Movement in Resources			Total Funds
	Funds £	Incoming £	Outgoing £	Transfers £	£
Unrestricted funds	35,433	33,957	(36,593)	609	33,406
Restricted funds	220,864	157,270	(184,780)	(609)	192,745
	<u>256,297</u>	<u>191,227</u>	<u>(221,373)</u>	<u>-</u>	<u>226,151</u>

17. Restricted funds analysis	Opening	Movement in Resources			Total
	Funds £	Incoming £	Outgoing £	Transfers £	£
Cameroon General	5,449	934	-	(194)	6,189
Cameroon Mother & Child Services	10,766	465	(5,700)	-	5,531
Cameroon PMTCT Nkwen	9,706	-	(7,705)	-	2,001
Cameroon SEC	5,695	319	(6,208)	194	-
Gambia SEC	4,091	-	(3,064)	(1,027)	-
Gambia Brikama Obstetric Programme	3,863	9,098	(15,635)	6,527	3,853
Liberia SEC	6,928	3,351	(9,585)	(580)	114
Liberia Obstetric Drugs	-	-	(2,371)	2,371	-
Liberia Obstetric Training	12,519	23,606	(87,303)	57,143	5,965
Liberia Neonatal Programme	-	30,261	(29,910)	23,122	23,473
ALSG Holding Fund*	34,855	40,717	-	-	75,572
Books	21,882	185	(5,027)	3,298	20,338
E-Library	4,298	-	(29)	(3,298)	971
MCAI Project Funds	17,012	13,860	(3,954)	(4,663)	22,255
Allocated Funds**	<u>83,800</u>	<u>34,474</u>	<u>(8,289)</u>	<u>(83,502)</u>	<u>26,483</u>
	<u>220,864</u>	<u>157,270</u>	<u>(184,780)</u>	<u>(609)</u>	<u>192,745</u>

*The ALSG Holding Fund comprises sales of the Paediatric E-Library (as part of the ALSG's APLS course), which are paid to MCAI on a monthly basis.

** A funding recording system that ringfences grants and donations for specific projects until they have been fully spent.