

REVISED

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**MCAI**

(MATERNAL & CHILDHEALTH ADVOCACY INTERNATIONAL)

(A company limited by guarantee)

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**Unaudited  
Financial Statements**

For the Year Ended

31<sup>st</sup> October 2012

*sjn consultants*

**Administrative Information**

During the period covered by these Financial Statements, Maternal & Childhealth Advocacy International operated as a Company Limited by Guarantee, registered in England and Wales with Company Number 03597304, and was registered as a Charity in England and Wales with the Charities Commission, Charity Number 1071486.

The trustees, who are also directors of the company, requested the production of these Financial Statements and that an Independent Examination be performed for their own internal use.

INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31 OCTOBER 2012

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF MCAI (MATERNAL & CHILDHEALTH ADVOCACY INTERNATIONAL)**

I report on the financial statements of the charity for the year ended 31 October 2012 which are set out on pages 4 to 12.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND EXAMINER**

The Directors 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 Directors 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 Directors 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: 30 July 2013

Sandra J Nairn ACMA CGMA

SJN Consultants Ltd  
The Slipway  
Poolewe  
Wester Ross  
IV22 2LN

MCAI (MATERNAL & CHILDHEALTH ADVOCACY INTERNATIONAL)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 OCTOBER 2012

	Note	2012			2011
		Unrestricted Fund £	Restricted Fund £	Total £	Total £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
- Voluntary income	(2)	41,795	188,546	230,341	345,981
- Activities for generating funds	(3)	8,183	4,564	12,747	19,991
- Investment income	(4)	152	-	152	130
Total incoming resources		<u>50,130</u>	<u>193,110</u>	<u>243,240</u>	<u>366,102</u>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds					
- Fundraising trading cost of goods sold and other costs	(5)	23,881	7,195	31,076	41,392
Costs of charitable activities	(6)	52,405	204,818	257,223	378,962
Governance costs	(7)	5,045	-	5,045	4,818
Total resources expended		<u>81,331</u>	<u>212,013</u>	<u>293,344</u>	<u>425,172</u>
Net (outgoing)/incoming resources made before transfers		(31,201)	(18,903)	(50,104)	(59,070)
Gross transfers between funds		-	-	-	-
Net (outgoing)/incoming resources		<u>(31,201)</u>	<u>(18,903)</u>	<u>(50,104)</u>	<u>(59,070)</u>
Fund balances brought forward at 1 Nov 2011		<u>44,612</u>	<u>102,363</u>	<u>146,975</u>	<u>206,045</u>
Fund balances carried forward at 31 Oct 2012		<u>13,411</u>	<u>83,460</u>	<u>96,871</u>	<u>146,975</u>
Net expenditure on additions to fixed assets		<u>867</u>	<u>720</u>	<u>1,587</u>	<u>8,833</u>

The notes on pages 6 to 12 form part of these financial statements.

# MCAI (MATERNAL & CHILDHEALTH ADVOCACY INTERNATIONAL)

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## BALANCE SHEET

AS AT 31 OCTOBER 2012

	<u>Note</u>	<u>2012</u>		<u>2011</u>
		£	£	£
Fixed assets				
Tangible assets	(10)		8,926	16,238
Current assets				
Debtors	(11)	19,457		25,996
Cash at bank and in hand		<u>90,306</u>		<u>120,932</u>
		109,763		146,928
Creditors: Amounts falling due within one year	(12)	<u>(21,818)</u>		<u>(16,191)</u>
Net current assets			<u>87,945</u>	<u>130,737</u>
			<u>96,871</u>	<u>146,975</u>
Represented by:				
Funds - Unrestricted			13,411	44,612
- Restricted	(18)		<u>83,460</u>	<u>102,363</u>
			<u>96,871</u>	<u>146,975</u>

The Directors consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at 31 March 2012 and of its net incoming resources for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charity.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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

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Chairperson	Date
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Company Registration No.03597304

The notes on pages 6 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2012

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.

Motor vehicles	25% reducing balance
Equipment – Unrestricted	20% reducing balance
– Restricted	33% reducing balance
Software	25% straight line

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) Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS17.

(f) Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

(g) Gifts in kind

1. During the year the following donated goods and services have been included within the accounts: - medical equipment with a value of approximately £Nil (2011: £7,933) was donated to the charity, together with overseas staff costs of £120 (2011: £76,764), motor and travel costs £300 (2011: £662) UK staff costs of £10,000 (2011: £Nil).

(h) 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 2012

## 1. Accounting policies – continued

## (i) Membership

Membership covers members for one year from date of joining and is treated on a receipts basis.

## 2. Voluntary income

	2012			2011
	Unrestricted Fund £	Restricted Fund £	Total £	£
Donations from individuals	23,005	10,224	33,229	86,377
Appeals	-	940	940	2,170
Government & Global Agencies	-	-	-	11,237
Companies and Community Groups	2,786	124,763	127,549	90,064
Gifts in Kind	-	10,420	10,420	85,359
Trusts and Foundations	5,707	42,199	47,906	57,553
Membership	8,203	-	8,203	9,887
Recycling	2,094	-	2,094	3,334
	<u>41,795</u>	<u>188,546</u>	<u>230,341</u>	<u>345,981</u>
3. Activities for generating funds				
Royalties and product sales	653	-	653	922
Fundraising Events	7,530	4,564	12,094	19,069
	<u>8,183</u>	<u>4,564</u>	<u>12,747</u>	<u>19,991</u>
4. Investment income				
Bank Interest	152	-	152	130
5. Fundraising trading cost of goods sold and other costs				
Fundraising costs	573	995	1,568	1,743
UK office salaries	17,818	-	17,818	29,785
Rent, rates and insurance	1,789	4	1,793	1,888
Light and Heat	271	-	271	300
Telephone	486	97	583	564
Computer	244	28	272	380
Sundry expenses	165	-	165	333
Printing postage, stationery	612	186	798	935
Motor and Travel	613	5,415	6,028	4,360
Depreciation – Equipment	422	48	470	1,104
Profit/Loss on Asset Disposal	888	422	1,310	-
	<u>23,881</u>	<u>7,195</u>	<u>31,076</u>	<u>41,392</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2012

	2012		Total	2011
	Unrestricted	Restricted		£
	Fund	Fund	£	£
	£	£	£	£
6. Cost of charitable activities				
Medical training, equipment and supplies	(286)	85,273	84,987	147,723
Project operational costs	241	5,324	5,565	12,683
Project travel costs & motor	-	-	-	380
Monitoring & evaluation	-	2,579	2,579	-
Overseas medical and project staff	-	33,515	33,515	48,535
UK office salaries	71,272	10,000	81,272	117,603
Rent, rates and insurance	7,155	16	7,171	7,390
Light and Heat	1,084	-	1,084	1,171
Telephone	1,943	386	2,329	2,211
Computer	977	112	1,089	1,487
Sundry expenses	660	-	660	1,306
Printing postage, stationery	2,449	745	3,194	3,664
Bank charges and interest	96	1,948	2,044	3,050
Depreciation – Equipment	1,689	190	1,879	4,321
(Profit)/Loss on disposal of assets	3,553	1,687	5,240	(733)
Motor and travel	2,450	21,661	24,111	17,078
Management recharge	(26,800)	26,800	-	-
Administration recharge	(14,078)	14,078	-	-
Donations to CAI Pakistan	-	504	504	11,093
	<u>52,405</u>	<u>204,818</u>	<u>257,223</u>	<u>378,962</u>
7. Governance costs				
Audit and accountancy	3,697	-	3,697	3,729
Book keeping and payroll service	511	-	511	489
Professional fees	-	-	-	600
Office relocation	837	-	837	-
	<u>5,045</u>	<u>-</u>	<u>5,045</u>	<u>4,818</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2012

	<u>2012</u>	<u>2011</u>
8. Employees	<u>No.</u>	<u>No.</u>
The average number of employees:	4	4
	£	£
Gross salaries	80,754	76,563
Employers NIC	6,446	6,107
Employers pension contributions	<u>1,890</u>	<u>1,682</u>
	<u>89,090</u>	<u>84,352</u>

The above relates to full time UK based, working equivalents allocated accordingly between direct charitable expenditure, fundraising and administration costs. The above excludes £10,000 Gifts in Kind (2011: £Nil).

No remuneration was received by the trustees during the year.

Trustees expenses totalling £827 (2011: £696) were paid during the year to trustees for expenses relating to trustees duties.

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

9. Surplus for the year

	<u>2012</u>	<u>2011</u>
The surplus for the year is shown after charging:-	£	£
Auditors remuneration - audit fees	-	3,729
- other services	3,067	489
Independent Examination fees	630	-
Depreciation	<u>2,348</u>	<u>5,425</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 OCTOBER 2012

10. Tangible fixed assets

	<u>Software</u> £	<u>Motor Vehicle</u> £	<u>Equipment</u> £	<u>Total</u> £
Cost				
At 1 November 2011	5,552	5,000	40,322	50,874
Additions	-	-	1,587	1,587
Disposals	<u>(5,552)</u>	<u>(5,000)</u>	<u>(7,169)</u>	<u>(17,721)</u>
At 31 October 2012	<u>-</u>	<u>-</u>	<u>34,740</u>	<u>34,740</u>
Depreciation				
At 1 November 2011	1,110	2,891	30,635	34,636
Disposals	(1,110)	(2,891)	(7,169)	(11,170)
Changes for the year	<u>-</u>	<u>-</u>	<u>2,348</u>	<u>2,348</u>
At 31 October 2012	<u>-</u>	<u>-</u>	<u>25,814</u>	<u>25,814</u>
Net Book Value				
At 31 October 2012	<u>-</u>	<u>-</u>	<u>8,926</u>	<u>8,926</u>
At 31 October 2011	<u>4,442</u>	<u>2,109</u>	<u>9,687</u>	<u>16,238</u>

The motor vehicle and some items of equipment relate to restricted funds.

	<u>2012</u>		<u>2011</u>
	<u>Unrestricted Fund</u> £	<u>Restricted Fund</u> £	<u>Total</u> £
11. Debtors			
Prepayments	1,039	-	1,039
Other debtors	<u>765</u>	<u>17,653</u>	<u>18,418</u>
	<u>1,804</u>	<u>17,653</u>	<u>19,457</u>
	<u>1,804</u>	<u>17,653</u>	<u>19,457</u>
	<u>1,804</u>	<u>17,653</u>	<u>19,457</u>

12. Creditors: Amounts falling due within one year

Accruals and deferred income	<u>1,484</u>	<u>20,334</u>	<u>21,818</u>	<u>16,191</u>
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NOTES TO THE FINANCIAL STATEMENTS · continued  
FOR THE YEAR ENDED 31 OCTOBER 2012

13. Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,890 (2011: £1,682). There were no outstanding contributions at the year end.

14. Share capital

The company is limited by guarantee, every member of the company undertaking to contribute a maximum of £10 to the company's assets should it be wound up while he is a member or within one year after he ceased to be a member.

	2012			2011
	Unrestricted Fund	Restricted Fund	Total	
15. Analysis of net assets between funds	£	£	£	£
Fixed assets	8,444	482	8,926	16,238
Current assets	6,451	103,312	109,763	146,928
Current liabilities	(1,484)	(20,334)	(21,818)	(16,191)
	13,411	83,460	96,871	146,975

16. Operating lease annual commitment

The company had the following annual  
Commitment under operating leases

	2012	2011
	£	£
Lease within one year	-	2,650
Lease within one to two years	-	-

## NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 OCTOBER 2012

## 17. Restricted funds

	<u>Opening Funds</u>	<u>Movement in Resources</u>		<u>Transfers</u>	<u>Total</u>
	£	<u>Incoming</u>	<u>Outgoing</u>	£	£
		£	£		
Bosnia	15,797	30,910	46,476	-	231
Cameroon	23,163	21,590	26,716	-	18,037
Strengthening Emergency Health Care*	30,909	85,072	19,580	(70,383)	26,018
Pakistan	-	1,012	1,423	-	(411)
Uganda	-	-	-	-	-
Project Reserve	4,690	-	-	(4,466)	224
MCAI Product Development	-	10,000	10,000	-	-
The Gambia	27,804	28,738	89,305	72,396	39,633
Child Friendly Healthcare Initiative	-	-	-	-	-
Liberia	-	15,788	18,513	2,453	(272)
	<u>102,363</u>	<u>193,110</u>	<u>212,013</u>	<u>-</u>	<u>83,460</u>

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